

DAILY REPORT

China

Vol 1 No 059

25 March 1983

PRC INTERNATIONAL AFFAIRS

GENERAL

Further Coverage of Mining Seminar in Beijing	A 1
Chen Muhua at Banquet	A 1
Foreign Financing Expected	A 1
PRC Experts on Petroleum Production, Prices	A 2
UN Envoy Comments on Interference in C. America	A 2
International Tribunal on Israeli Crimes Ends	A 3

UNITED STATES

PRC Stand on Arms Deliveries From U.S. Reported [AFP]	B 1
President Reagan Orders Start of ABM Program	B 1
Reagan's Budget Proposal Defeated by House	B 1
Zhang Jingfu Meets U.S. Banker 24 March	B 2

SOVIET UNION

USSR's Andrey Gromyko Appointed to New Post	C 1
USSR Not To Accept Interim Missile Agreement	C 1

NORTHEAST ASIA

KYODO Reports PRC Lowers Price of Daqing Crude	D 1
--	-----

SOUTHEAST ASIA & PACIFIC

SRV Withdrawal From Kampuchea Seen Only Solution [RENMIN RIBAO 25 Mar]	E 1
Thailand's Prem on Solution of Kampuchea Issue	E 2
VODK Says SRV Uses Chemical Weapons in Kampuchea	E 3
Philippines President Receives PRC Delegation	E 3
Australian Prime Minister on Zhao Ziyang Visit	E 3

SOUTH ASIA

Further on NPC Delegation's Nepal Visit	F 1
Good Ties With PRC Noted	F 1
Banquet in Katmandu	F 1

WESTERN EUROPE

PRC, UK Discuss Building Nuclear Power Plant	G 1
Deng Liqun Meets Spanish CP Delegation 24 March	G 1
France's Mitterrand Speaks on National Policies	G 2

EASTERN EUROPE

BORBA Comments on Hu Yaobang's Speech on Marxism

H 1

PRC NATIONAL AFFAIRS

Surveyors, Designers Hold Meeting in Beijing

K 1

Yao Yilin Speaks

K 1

Contract System Proposed

K 1

Hu Qiaomu Congratulates Literature Prizewinners

K 2

State, Provinces To Build Commodity Grain Bases

K 2

RENMIN RIBAO on Contract System in Agriculture [23 Mar]

K 4

Meeting Urges Industry To Support Agriculture

K 5

Forestry Promoted Along Huang He Basin

K 6

Democratic Groups Support Remote, Minority Areas

K 6

Militia Reform Achieves 'Desired Results'

K 7

RENMIN RIBAO on Economic Management System [18 Mar]

K 8

Song Renqiong Mourns Death of Yang Yong

K 12

[RENMIN RIBAO 19 Mar]

Chen Muhua Discusses Export Trade Situation

K 13

[SHIJIE JINGJI DAOBAO 7 Feb]

PRC REGIONAL AFFAIRS

EAST REGION

New Leading Body of Fujian CPC Committee Formed

O 1

Fujian's Xiang Nan Speaks at Marx Centenary

O 1

[FUJIAN RIBAO 15 Mar]

FUJIAN RIBAO Reports Fujian-Hunan Economic Ties [18 Mar]

O 2

Shandong Party Committee Forms New Leading Body

O 3

Shanghai Circular Urges Study of Hu Report

O 3

Zhejiang Provincial Cadres' Code of Conduct Set

O 4

Briefs: Jiangsu Grand Canal Lock;

O 4

Jiangxi Satellite Ground Station

CENTRAL-SOUTH REGION

Henan CPC Committee Forms New Leading Body

P 1

Henan Government Meets To Examine Year's Tasks

P 1

Changsha City Forms New CPC Leadership Group

P 2

SOUTHWEST REGION

Chi Biqing at Guizhou Retirement Awards Rally

Q 1

Xizang Leader on Education for Party Members

Q 1

Xizang Cites, Rewards Local Handicraftsmen

Q 2

Briefs: Xizang Cave Cold Storage

Q 2

NORTH REGION

Beijing People's Congress Session Continues

R 1

Elects NPC Deputies

R 1

Passes Constitution Resolution

R 1

Hears Financial Report [BEIJING RIBAO 18 Mar]

R 2

Hebei People's Congress Committee Session Closes

R 3

[HEBEI RIBAO 13 Mar]

Briefs: Beijing Hotel, Meteorological Center

R 4

NORTHEAST REGION

HEILONGJIANG RIBAO on Cadres' Role in Reform	S 1
Jilin's Qiang Xiaochu Reports to Party Congress	S 1
Li Desheng Speaks at Liaoning Rally of Advanced	S 3
Guo Feng Inspects Liaoning Civility Activities	S 3

TAIWAN

Foreign Minister Affirms Anticomunist Policy	V 1
Taiwan, Solomons Establish Diplomatic Relations	V 1
Defense Minister Defends High Military Outlays	V 2
Communist Defector Holds News Conference	V 2
Legislator Proposes Reelecting Chiang President	V 3
Australian Beef Imports Suspended Temporarily	V 3

HONG KONG MEDIA ON CHINA

Further Relaxation of PRC Investment Policies Seen	W 1
Making Conditions 'Attractive' [WEN WEI PO 22 Mar]	W 1
Simplified Accounting System [HONG KONG STANDARD 24 Mar]	W 1
PRC Ministers Discuss Exports of Machinery [WEN WEI PO 21 Mar]	W 2
Wang Zhen Visits Guangdong Colleges 17, 18 March	W 3
[TA KUNG PAO 20 Mar]	
TA KUNG PAO: Qi Benyu, Liu Qingtang Face Trial [24 Mar]	W 4

FURTHER COVERAGE OF MINING SEMINAR IN BEIJING

Chen Muhua at Banquet

OW221253 Beijing Domestic Service in Mandarin 1600 GMT 20 Mar 83

[Text] The seminar on coal mine exploitation, investment, technology and marketing in China jointly sponsored by the China Coal Mining Society, the U.S. magazine WORLD COAL and the (Lowman) consultant company will open on 21 March in Beijing. More than 50 entrepreneurs, bankers and technologists from 11 countries and regions have arrived in Beijing for the meeting.

The seminar gave a banquet on the evening of 20 March at the Great Hall of the People to welcome the foreign friends. Chen Muhua, state councillor, attended the banquet to extend her congratulations. Kong Xun, chairman of the board of the China National Coal Mine Exploitation Corporation, proposed a toast at the banquet.

Foreign Financing Expected

OW240755 Beijing XINHUA in English 1501 GMT 22 Mar 83

[Text] Beijing, March 22 (XINHUA) -- The Ministry of Coal Industry listed 23 coal projects which are targeted for nearly five billion U.S. dollars of foreign financing at a meeting here today. Wu Yaxing, chief engineer of the Planning Department of the Chinese Ministry of Coal Industry, gave a briefing on the projects at the China mines investment and marketing seminar now in progress here, attended by some 50 foreign bankers and entrepreneurs. These projects, he said, are 17 underground mines and six large open-cut mines in nine mining areas and their aggregate designed production capacity comes to 130 million tons. The 23 projects range from vertical mines with a designed annual capacity of 900,000 tons each to big open-cut mines designed to produce up to 25 million tons of coal a year. Xu Yaxing said in developing its coal industry, China stresses the construction of large open-cut and underground mines and the technical upgrading of the existing mines.

PRC EXPERTS ON PETROLEUM PRODUCTION, PRICES

OW241819 Beijing XINHUA in English 1624 GMT 24 Mar 83

[Text] Beijing, March 24 (XINHUA) -- World oil prices may continue to fluctuate within a limited range, but no sharp drop is in sight, Chinese experts predicted here today. Participants in an economic forum today were of the opinion that reasonable oil prices may be conducive to world economic growth.

Experts from foreign trade, petroleum, coal mining and financial circles exchanged views on the effect the current oil price cut might have on the world economy.

They held that from an overall and long point of view, relatively low oil prices will promote an economic recovery in the West and lower the interest rate and inflation. This will lead to more favorable environment for world trade and for greater exports by the Third World countries. OPEC's March 14 decision to cut the oil price from 34 U.S. dollars to 29 U.S. dollars per barrel, in the opinion of a Chinese Academy of Social Sciences economist, will "help promote a healthy development of the world economy".

Other experts foresaw an over supply of oil in the near future. They said oil prices will fluctuate at a relatively low level, but they did not rule out the possibility of further but limited drop in oil price. Oil is a commodity and, as such, its price is conditioned by the changing demand on the international market, they pointed out. Industrialized nations in the West are beginning to see an economic recovery, but such recovery will not proceed at too fast a speed, they noted. So their demand on oil will be limited.

On the other hand, they said, the 13 OPEC members have the capacity of producing a daily average of more than 10 million barrels in excess of the demand.

A Bank of China expert predicted that the oil cut might result in an income redistribution between oil-producing and oil-importing countries, causing some fluctuations to the international monetary market. Nevertheless, he foresaw no upheaval under the present circumstances. The day after the OPEC March 14 decision, the price of gold plummeted by 16 U.S. dollars per ounce in Zurich. This, he noted, was something transient. From a long point of view, this tendency will be inhibited by the oil price cut because oil-producing countries will not be able to purchase large quantities of gold now that they do not have that much money at their disposal. Banking experts were of the opinion that the oil price cut might cause the international monetary market to tighten. They recalled that a few years ago, OPEC had supplied the world monetary market with huge sums of petrodollars. With the price cut, OPEC members might draw money from the banks instead of continuing to pump it into the world monetary market.

At the same time, they may reduce their economic aid to developing countries. Developing countries are still in want of money, and this will put a heavier pressure to bear upon the international monetary market, thus leading to a credit tightening.

Today's forum was sponsored by the INTERNATIONAL TRADE, a monthly magazine. Participants in the forum expressed the conviction that China will continue to cooperate with foreign countries in exploiting its offshore oil resources. An expert from the China National Offshore Oil Corporation said: "We are determined to cooperate with foreign firms in oil exploration."

UN ENVOY COMMENTS ON INTERFERENCE IN C. AMERICA

OW250254 Beijing XINHUA in English 0241 GMT 25 Mar 83

[Text] United Nations, March 24 (XINHUA) -- China said in the Security Council today that Central American problems should be solved by the people of the region themselves free from any outside interference.

Addressing the Council's meeting today on a complaint by Nicaragua against the United States, China's permanent representative Ling Qing pointed out: "An important cause for the present tension around Nicaragua and, consequently, the deteriorating situation in entire Central America lies in the intervention by a superpower."

"Such intervention is firmly opposed by the people of various countries of that region, including Nicaragua, who strongly demand that the superpowers should desist from embroiling Central America in their rivalry," he said. "This demand is entirely justified and should therefore be supported."

"In order to diminish and remove tension in Central America," Ling Qing continued, "it is essential that the superpower should cease its intervention there. The independence, sovereignty and territorial integrity of Nicaragua and other states of Central America should be respected."

He hoped that the differences and disputes between Nicaragua and other states of the region would be solved in a peaceful and fair manner through negotiations, free from outside interference and in conformity with the principles of the U.N. Charter.

Representatives from Mexico, Malta, Panama, Tanzania and other Third World countries also expressed opposition to external intervention in Nicaragua and other Central American states. They called on all states not to resort to the threat or to the use of force and to refrain from any acts that could exacerbate the situation in the region.

INTERNATIONAL TRIBUNAL ON ISRAELI CRIMES ENDS

OW211856 Beijing XINHUA in English 1843 GMT 21 Mar 83

[Text] Tokyo, March 21 (XINHUA) -- The "international people's tribunal on Israeli invasion of Lebanon" has convicted the Israeli regime of committing the crime of making war and the United States of "complicity". The tribunal, which closed here today after hearing testimonies made by witnesses from more than 10 countries and areas including Palestine, Lebanon, the United States and Italy, also demanded that Israel withdraw its troops from Lebanon and recognize the Palestinian people's rights to self-determination.

All testimonies showed that since last June 4 when Israel began its invasion of Lebanon, the Israeli troops have destroyed with sophisticated weapons a number of schools, hospitals and dwelling buildings in Lebanon and killed a large number of Palestinian refugees.

The tribunal announced that Israel has committed "the crime against peace," "the crime of making war", "the crime against humanity" and "the crime of depriving the Palestinian people of the right to self-determination". The last one of the four crimes is the key to all the other war crimes committed and being committed by the Israeli Government in Lebanon, the tribunal noted.

The tribunal pointed out that the U.S. Government, which acted in complicity with Israel, has grave responsibility for these crimes.

It declared: "The United States has made possible the Israeli invasion of Lebanon...by persistently supporting the aggressive policy of the Israeli Government diplomatically, economically and militarily." "The U.S. has induced war crimes by supplying cruel new weapons to the Israeli forces," it added.

The tribunal demanded that Israel withdraw its troops from Lebanon, release political prisoners and prisoners of war, evacuate its troops to the Israeli side of the border line of 1967 and compensate the Lebanese and Palestinian people for their losses.

Among the speakers at the tribunal today was Rui Mu, deputy director of the Institute of Law of the Chinese Academy of Social Sciences and professor of Beijing University, who condemned Israel for invading Lebanon and slaughtering Palestinian refugees and expressed firm support to the just struggle of the Lebanese and Palestinian peoples.

PRC STAND ON ARMS DELIVERIES FROM U.S. REPORTED

OW250744 Hong Kong AFP in English 0650 GMT 25 Mar 83

[By Charles-Antoine de Nerciat]

[Excerpt] Beijing, March 25 (AFP) -- China today ruled out all possibility of its being supplied arms by the United States while the current state of relations between the two countries, aggravated by the Taiwan issue, continues.

The Foreign Ministry Information Department announced this stand in a brief statement replying to a question over a secret Pentagon document on possible U.S. arms sales to China.

Reports from Washington that the document recommends arms sales to China "if it is possible and appropriate" coincided with China's most recent protest last week against U.S. military assistance to Taiwan. "At present, the question of the U.S. providing arms to China or China asking the U.S. for arms supplies simply does not exist," the Foreign Ministry statement said.

Although China has attacked U.S. "hegemonism," particularly Washington's foreign policy in the Middle-East and southern Africa, Chinese leaders have stressed on several occasions that the only real obstacle to developing Sino-U.S. relations is the Taiwan issue.

The Pentagon document, which reportedly defines the Reagan administration's major defence strategies, includes the possibility of military aid for China to allow it to counter Soviet forces in the Far East.

PRESIDENT REAGAN ORDERS START OF ABM PROGRAM

OW251041 Beijing XINHUA in English 0749 GMT 24 Mar 83

[Text] Washington, March 24 (XINHUA) -- President Ronald Reagan today issued a national security order to start work on the development of an anti-ballistic missile system for the United States to render nuclear weapons obsolete by the 21st century.

White House spokesman Larry Speakes said the directive set in motion the long-range research and development program he outlined in a speech to the nation yesterday evening.

The initial cost for a missile-defense system would come from the one billion dollars allocated for research and development in his 1984 budget proposal, Speakes said.

He said there would be no additional expense beyond the one billion dollars for the system in 1984 but, looking ahead to future years, "certainly we recognize this process will cost money."

Until the project reaches fruition, Speakes said, the nation will continue to build and improve offensive nuclear weapons with arms reductions "our ultimate goal."

REAGAN'S BUDGET PROPOSAL DEFEATED BY HOUSE

OW241142 Beijing XINHUA in English 1122 GMT 24 Mar 83

[Text] Washington, March 23 (XINHUA) -- U.S. President Reagan's budget proposal for fiscal 1984 beginning October 1 this year was defeated tonight by the House as it adopted a Democratic budget plan for a lower defense expenditure, higher taxes and more domestic spendings.

The Democrats' plan calls, among other things, for a defense budget of 235.4 billion dollars in 1984, 9.3 billion dollars less than Reagan wants, and 164 billion dollars less over five years. The Democrats claimed that would allow Pentagon spending to grow by 4 percent a year after inflation, contrasted with Reagan's call for a 10 percent growth.

Meanwhile, the Democrats ask for raising taxes by 30 billion dollars, the first step in what is likely to be an assault on Reagan's three-year tax reduction program as the third year reduction is scheduled for July 1 this year. They also call for restoring about 33 billion dollars in proposed domestic spending cuts from various welfare programs to labor-training plans.

The Democratic resolution narrows the President's 188.75 billion dollars deficit by nearly 15 billion. The Democrats envision a revenue of 689.10 billion dollars, compared with the President's 659.70 billion dollars, and outlays of 863.55 billion dollars, compared with Reagan's 848.45 billion dollars.

Today's vote in the House was 229-196, basically along party lines. 36 Democrats, most of them from the south and west, voted with the Republicans.

Ever since Reagan announced his 1984 budget proposal in late January, heated debates have been going on between the White House and Congress, as well as among various groups of politicians, economists and industrialists. The major target of the debates is Reagan's huge defense build-up. Most of the participants in the debates have urged the administration to reduce the peace-time record defense expenditure. They include many prominent Republicans who used to favor bigger military spending.

After the House Budget Committee adopted the Democratic plan last week, Reagan has become increasingly harsh on his political foes and has lobbied successively for support of his program. He called the Democrats' plan "a dagger aimed straight at the heart" of his economic policies. His address tonight to the nation was also clearly aimed at the plan with the focus on defense issues.

It is noticed that today's vote might end two years of Reagan's domination in the House which passed several of his major economic programs with the help of conservative Democrats. After the midterm election last November, the rank of Democrats in the House was strengthened and Reagan will face more uphill fight in the House for his economic and defense plans.

Reagan's budget proposal will be further debated and voted in the Republican-dominated Senate. The President is now trying very hard to win the Senate's support. Observers here noted that Reagan's plan cannot get through Congress without a compromise.

ZHANG JINGFU MEETS U.S. BANKER 24 MARCH

OW241429 Beijing XINHUA in English 1400 GMT 24 Mar 83

[Text] Beijing, March 24 (XINHUA) -- Zhang Jingfu, state councillor and minister in charge of the State Economic Commission, met with and feted Suez Chen, senior vice-president of the New York branch of the Bank of America, and his wife here this evening.

USSR'S ANDREY GROMYKO APPOINTED TO NEW POST

OW241934 Beijing XINHUA in English 1917 GMT 24 Mar 83

[Text] Moscow, March 24 (XINHUA) -- Soviet Foreign Minister Andrey Gromyko has been appointed first vice chairman of the Soviet Council of Ministers by the Presidium of Supreme Soviet, TASS news agency reported today.

Gromyko will continue to work as Soviet foreign minister while serving as first vice chairman of Council of Ministers, according to the report.

USSR NOT TO ACCEPT INTERIM MISSILE AGREEMENT

OW241746 Beijing XINHUA in English 1602 GMT 24 Mar 83

[Text] Moscow, March 24 (XINHUA) -- The Soviet Union will never accept an interim agreement similar to the "zero option" under any circumstances in the Geneva talk, the Soviet weekly MOSCOW NEWS said in its latest issue.

The weekly said the compromise proposals on medium-range nuclear weapons in Europe revealed by the West are all the variants of the U.S. "zero option".

Reports from Washington said that U.S. President Ronald Reagan is prepared to propose a compromise ceiling of 75 to 100 missiles for each side as an interim agreement.

The Soviet Union said the only practical "interim agreement" that can be discussed on restricting nuclear weapons in Europe is for the United States to at least postpone the deployment of missiles in Europe and at the same time continue the talks.

The Soviet news agency TASS said in its analysis yesterday that only one thing is required, that is, "the United States and its NATO allies should abandon their present dishonest and dangerous game and agree to return to the principle of equality and equal security of the sides, a principle without which no agreement will be achieved."

KYODO REPORTS PRC LOWERS PRICE OF DAQING CRUDE

OW231229 Tokyo KYODO in English 1138 GMT 23 Mar 83

[Text] Tokyo, March 23 (KYODO) -- China has agreed to lower the price of its Daqing crude oil by dollar 5 to dollar 28.70 a barrel, retroactive to February 10, oil industry sources disclosed Wednesday.

The sources said two Japanese importing agencies for Chinese crude -- Importers' Conference of Chinese Petroleum in Japan and International Oil Trading Co. -- won the Chinese agreement during negotiations with the Chinese on Japan's 1983 Chinese crude imports.

Under an agreement signed with the China National Chemicals Import and Export Corporation in Beijing Wednesday, China will supply 8 million tons of Daqing crude to Japan this year with the export price set at dollar 28.70 a barrel, the sources said.

The supply volume is the same as in 1982 but the price is dollar 5 lower than last year's per barrel, according to the sources.

During the negotiations, the Japanese side demanded that China cut the price of Daqing crude by at least dollar 5 a barrel in line with a recent OPEC price cut decision, according to the sources.

Also, the Japanese side told the Chinese that Japan cannot increase the annual import amount this year as demand for oil is sluggish at present, the sources said.

The Chinese side eventually accepted the Japanese demand, the sources said.

This year's import agreement is accompanied by an option that Japan may buy about 300,000 tons on top of the agreed amount on a spot basis, the sources added.

SRV WITHDRAWAL FROM KAMPUCHEA SEEN ONLY SOLUTION

HK250904 Beijing RENMIN RIBAO in Chinese 25 Mar 83 p 6

[Commentator's article: "Troop Withdrawal Is the Only Way Out for Vietnam To Free Itself From Its Difficulties"]

[Text] The foreign ministers of the five ASEAN nations issued a statement in Bangkok on 23 March, reiterating that the Kampuchea problem should be solved within the sphere of an international conference dealing with this problem on the basis of the relevant resolutions adopted by the United Nations and emphasizing that the foundation for an all-round solution to the Kampuchea problem is: Vietnamese troops must be completely withdrawn from Kampuchea and the Kampuchea people's right to self-determination and to build a nonaligned, neutral Kampuchea must be restored under the condition that no threat and pressure exists. This solemn and just position of the ASEAN nations gives a forceful answer to the trick of holding a "regional conference" recently played by the Vietnamese authorities.

The Kampuchea problem was caused by the Vietnamese authorities' armed aggression against that country. To solve this problem, Vietnam must withdraw all of its forces from Kampuchea. Several UN General Assemblies and the international conference on the Kampuchea problem have adopted a series of resolutions and declarations, showing a clear stand on this point. However, the Vietnamese authorities stubbornly cling to their stand of aggression and expansion. On one hand, they refused to implement the UN resolutions; on the other, they racked their brains to create a false appearance that they are willing to solve the Kampuchea problem. In this way, they attempted to cheat public opinion in the world and free themselves from their difficult plight.

Not long ago, at the so-called "Indochinese summit," the Vietnamese authorities repeated their old trick of "partial troop withdrawal" and attempted to hide their intention to refuse to withdraw all Vietnamese troops with this fraud so as to cope with condemnation by many nonaligned nations against the Vietnamese aggressive actions in the Seventh Nonaligned Summit period. As soon as the nonaligned summit concluded, Vietnam immediately created the impression that it is willing to join a meeting held by the five ASEAN nations together with Vietnam and Laos to deal with the Kampuchea problem, even if the Heng Samrin regime does not participate in the meeting. This is nothing but the repetition of the so-called "regional conference" advocated by Vietnam for a long time. Its purpose is to both counteract the UN General Assembly's relevant resolutions and its statements on an international conference on the Kampuchea issue, and to change this issue -- which should be solved within the framework of the United Nations -- into a regional issue, so as to force the international community to recognize the fait accompli of Vietnamese aggression against the occupation of Kampuchea; and also, to attempt, under the pretext of nonparticipation of the Heng Samrin regime, to negate the existence of the Government of Democratic Kampuchea and attain the goal of weakening and splintering the Kampuchean resistance forces. All people who have sober minds can easily see through these attempts. This devilish scheme of the Vietnamese authorities has quite naturally been rejected by ASEAN.

The Vietnamese aggression against Kampuchea has constituted a serious threat to the peace and stability of the Southeast Asian region. The Vietnamese refusal to withdraw its troops from Kampuchea shows that it has a regional hegemonist ambition to knock together a so-called "Indochinese federation" and use it as a base for its expansion in the Southeast Asian region. In order to commit aggression against and occupy Kampuchea, the Vietnamese authorities have introduced the military power of the Soviet superpower into Southeast Asia, bring such trouble to the region. Therefore, if the Kampuchea problem fails to be solved, Southeast Asia will enjoy no peace and stability.

The Vietnamese authorities are currently babbling all the time about a "Chinese threat," vainly dreaming of substituting the myth of the nonexistent "Chinese threat" for the very real Vietnamese and Soviet threat, so as to divert people's attention and allow them to fish in troubled waters and profit thereby. When advocating the so-called "regional conference" and "group dialogue," what the Vietnamese authorities want to sell are precisely these goods. The statement made by the ASEAN foreign ministers in Bangkok is like a signboard reading "Not a through road" against the plot of the Vietnamese authorities.

China has consistently advocated that the Kampuchean problem should be rationally solved as soon as possible on the basis of relevant UN resolutions. In addition, together with ASEAN, she has consistently been willing to make her own efforts to seek a solution to the Kampuchean problem, to bring about peace and stability in Southeast Asia. As for the Vietnamese authorities, a troop withdrawal is their only way out to extricate themselves from the difficult plight. No matter how tricky they are and no matter what tricks they are playing, they will certainly be bogged down more and more deeply in the mire of Kampuchea so long as they refuse to pull all of their troops out of Kampuchea.

THAILAND'S PREM ON SOLUTION OF KAMPUCHEA ISSUE

OW241224 Beijing XINHUA in English 1130 GMT 24 Mar 83

[Text] Bangkok, March 24 (XINHUA) -- Thai Prime Minister Prem Tinsulanon today urged Vietnam to recognize the Coalition Government of Democratic Kampuchea led by Samdech Norodom Sihanouk and settle the Kampuchean crisis according to the resolutions of the U.N. General Assembly sessions and the international conference on Kampuchea.

Prime Minister Prem made the call here at an opening ceremony of the fourth joint ministerial meeting of the Association of Southeast Asian Nations (ASEAN) and the European Economic Community (EEC).

Prem said that the Coalition Government of Democratic Kampuchea has received overwhelming support from the international community and that "its formation provides Vietnam with the opportunity to negotiate for a settlement of the Kampuchean problem with the legitimate government of Kampuchea rather than persist in propping up a puppet regime in Phnom Penh."

The Kampuchean problem is an international problem requiring a comprehensive political solution, Prem said. "The relevant U.N. resolutions and the declaration and resolutions of the international conference on Kampuchea provide the framework for such a comprehensive political solution to the Kampuchean problem."

Prem said that ASEAN appreciates the EEC support for its efforts to resolve peacefully the Kampuchean problem.

On world economic matters, Prem termed protectionism practised by developed countries in trade with developing countries as "self-defeating in the long run." He said: "The continuing recession clearly demonstrates the nature of interdependence between the developed and the developing nations." "The ensuing contraction in world trade has certainly hurt the developing countries but it has also compounded the recession in the developed countries," he added.

The three previous EEC-ASEAN ministerial meetings took place in Brussels, Kuala Lumpur and London. The current meeting will last till tomorrow evening.

VODK SAYS SRV USES CHEMICAL WEAPONS IN KAMPUCHEA

OW241216 Beijing XINHUA in English 1108 GMT 24 Mar 83

[Text] Beijing, March 24 (XINHUA) -- Vietnamese planes dropped toxic chemicals and gas bombs in the first half of this month on an area in Kampuchea's Battambang Province extending from the southern part of Sisophon district to Pailin town, according to radio of Democratic Kampuchea today.

Hundreds of Kampucheans in this area were poisoned to varying degrees, some of them killed, by toxic chemicals and gas bombs dropped from Vietnamese planes on March 6, 10, 14 and 15.

PHILIPPINES PRESIDENT RECEIVES PRC DELEGATION

OW231237 Beijing XINHUA in English 1130 GMT 23 Mar 83

[Text] Manila, March 23 (XINHUA) -- Philippine President Ferdinand E. Marcos, receiving a Chinese good-will delegation here today, pledged to make further efforts to strengthen the friendly ties between the two countries.

Chinese Ambassador to the Philippines Mo Yanzhong was present on the occasion.

The six-member delegation from the Chinese People's Association for Friendship With Foreign Countries led by the association's Vice-President Lu Cui arrived here yesterday for a two-week visit.

AUSTRALIAN PRIME MINISTER ON ZHAO ZIYANG VISIT

OW231325 Beijing XINHUA in English 1256 GMT 23 Mar 83

[Text] Canberra, March 23 (XINHUA) -- Prime Minister R. Hawke today expressed his confidence that Chinese Premier Zhao Ziyang's visit to Australia will further the Sino-Australian ties.

In a statement on Premier Zhao's visit from April 17 to 23 which marks the 10th anniversary of the establishment of Sino-Australian diplomatic relations, Hawke said: "I look forward to meeting the premier and discussing with him a wide range of matters of international and regional concern."

He also said the visit underlines the importance both Australia and China attach to their relationship.

Premier Zhao's itinerary will include Canberra, New South Wales and Queensland.

FURTHER ON NPC DELEGATION'S NEPAL VISIT

Good Ties With PRC Noted

OW241810 Beijing XINHUA in English 1555 GMT 24 Mar 83

[Text] Katmandu, March 24 (XINHUA) -- Nepalese Prime Minister Surya Bahadur Thapa said here today that the excellent relations between Nepal and China will definitely be further consolidated and developed.

Thapa made these remarks when he met the visiting Chinese National People's Congress (NPC) delegation led by Ngapoi Ngawang Jigme, vice-chairman of the NPC Standing Committee, at his office in Singha Durbar this afternoon.

"The Sino-Nepalese relations are very good with no problems existing in between," he said.

The prime minister noted with satisfaction that the exchange of visits by leaders of both countries has contributed immensely to promoting the friendly ties between the two countries.

The first visit by a Chinese NPC delegation, he said, will surely enhance the good cooperation between the two countries and the friendship between the two peoples, and mutual understanding between the Chinese NPC and the Nepalese National Panchayat in particular.

Touching on the economic cooperation between the two countries, he said: "To Nepal, China has offered a lot of assistance, which is very helpful to Nepal's economic development." On behalf of the Nepalese Government he expressed thanks to the Chinese Government.

He said: "China is being engaged in its modernization drive. We are gazing at your national development. We wish you success."

Ngapoi Ngawang Jigme said: "The Sino-Nepalese relations are based on the five principles of peaceful co-existence. We had good relations in the past and it is certain that such relations will gain further consolidation and development in the days to come."

The Chinese NPC delegation also called on Marich Man Singh, chairman of the Nepalese National Panchayat (parliament) today. On behalf of the Chinese NPC Standing Committee, Jigme invited Singh to visit China. Singh said that he will try his best to make the visit at a proper time.

Earlier, the delegation met Nepalese Minister for Foreign Affairs and Water Resources Padma Bahadur Khatri. Both sides expressed the desire to further develop the friendly cooperation, especially economic exchanges between Nepal and China's Xizang (Tibet) Autonomous Region.

Banquet in Katmandu

OW241944 Beijing XINHUA in English 1911 GMT 24 Mar 83

[Text] Katmandu, March 24 (XINHUA) -- Nepalese National Panchayat (National Assembly) Vice Chairman Gopal Chandra Singh Rajbanshi praised relations between Nepal and China as "very intimate and friendly."

He made the speech at a banquet this evening for the visiting Chinese delegation headed by Ngapoi Ngawang Jigme, vice chairman of the Standing Committee of the Chinese National People's Congress (NPC).

China and Nepal have set an example of two neighboring countries, one big and one small with different political systems, living together in peace with mutual respect for each other's sovereignty and independence, he said.

Rajbanshi said China has rendered economic assistance to Nepal, which is very conducive to the realization of Nepal's development, "even under circumstances when China faced urgent domestic needs."

On international relations Rajbanshi said both Nepal and China are opposed to all forms of outside interference in any country's internal affairs, stressing "any independent and sovereign state should have the full right to follow its own political and economic systems."

Ngapoi Ngawang Jigme said China showed particular respect to the Sino-Nepalese relations and highly values "its friendly relations and cooperation with Nepal."

He said China will continue to make joint efforts with the Nepalese people to open up new areas of friendly cooperation.

China needs peace, friendship and cooperation for her modernization program and always adheres to an independent foreign policy of peace and friendly relations with other countries on the basis of five principles of peaceful co-existence.

The Chinese delegation came here yesterday for a six-day visit, the first visit by a Chinese NPC delegation to this Himalayan kingdom.

Earlier today the delegation met with Nepalese Prime Minister Surya Bahadur Thapa and National Panchayat Chairman Marich Man Singh, besides visiting a shoe and leather factory in Katmandu.

PRC, UK DISCUSS BUILDING NUCLEAR POWER PLANT

OW251239 Beijing XINHUA in English 1219 GMT 25 Mar 83

[Text] Beijing, March 25 (XINHUA) -- State Councillor Gu Mu today congratulated the progress made at talks between Chinese and British officials on the construction of a nuclear power plant in Guangdong Province when he met with a delegation from the British Department of Industry.

The project will be the first large nuclear power plant jointly built by Chinese and overseas firms.

It was learned that during the four-day talks in Beijing, the two sides expressed support for the joint construction of a nuclear power plant by the Guangdong Power Company, Hong Kong's China Light and Power Company and other firms. The plant, equipped with pressurized water reactor units, will have a generating capacity of 1,800,000 kilowatts. It is to be built at Daya Bay, some 60 kilometers east of the Shenzhen Special Economic Zone.

The talks, beginning March 22, centered on investment, electricity distribution, electricity sales to Hong Kong and other economic matters. Progress was reported at the talks, although certain problems remain to be solved. The two sides also explored the possibility of buying conventional equipment from Britain for the nuclear power plant. It was agreed that a management committee be set up as soon as possible to make preparations for the project. A memorandum is to be signed between the two sides.

The Chinese delegation to the talks is led by Li Peng, vice-minister of water resources and electric power, and the British delegation is led by M.G. Manzie, deputy secretary of the Department of Industry.

The present talks followed preliminary rounds between the two sides in Guangzhou, London, Beijing and Hong Kong since last year.

Gu Mu said at the meeting this afternoon he hoped that the cooperative project would be a success and set an example for economic cooperation between the two countries.

"The construction of the nuclear power plant will benefit the economic development of both Guangdong and Hong Kong and will be conducive to Sino-British cooperation in other fields," the state councillor said.

Noting that there are over 80 joint ventures in China, Gu Mu said: "We welcome more firms from the United Kingdom and other countries to cooperate with us."

DENG LIQUN MEETS SPANISH CP DELEGATION 24 MARCH

OW241443 Beijing XINHUA in English 1356 GMT 24 Mar 83

[Text] Beijing, March 24 (XINHUA) -- Deng Liqun, member of the Secretariat and head of the Propaganda Department of the Chinese Communist Party Central Committee, met here this afternoon with a delegation from MUNDO OBRERO, organ of the Spanish Communist Party [PCE], here this afternoon.

The delegation is led by Antonio Palomares, member of the Spanish Communist Party Central Committee and of the Political Committee of the newspaper. -

Deng Liqun praised the Spanish Communist Party and people for their revolutionary will. He said that the Chinese Communist Party, government and people are always concerned about the struggle of the Spanish people. The Chinese people always draw inspiration from the heroic struggle of the Spanish people in defending Madrid in the 1930's. "The relations between our two parties have developed soundly since the resumption of their relations," he said.

Deng Liqun asked the guests to convey his best regards to Comrade Dolores Ibarruri, Comrade Santiago Carrillo, and General Secretary Gerardo Iglesias of the Spanish Communist Party.

Antonio Palomares said that they had made extensive contacts with the Chinese people during their visit. They were warmly welcomed wherever they went. They talked with workers, peasants and young people who showed their wisdom and knowledge.

After the meeting, Deng Liqun hosted a dinner for the guests. Qin Chuan, editor-in-chief of the PEOPLE'S DAILY, attended the meeting.

FRANCE'S MITTERRAND SPEAKS ON NATIONAL POLICIES

OW241407 Beijing XINHUA in English 1328 GMT 24 Mar 83

[Text] Paris, March 23 (XINHUA) -- President Francois Mitterrand stressed continuity in his foreign and domestic policies today when delivering a televised speech to the nation. Mitterrand asked the French people to "make a special contribution" to the recovery of the national economy. He said France faces three hurdles: unemployment, inflation and foreign trade deficit.

He said he has asked the new government under Pierre Mauroy to ensure French youth receiving job training, to bring inflation down to the level of neighboring countries and to restore a balance in foreign trade within two years.

He said he has also asked the new government to support companies seeking export markets through innovation and to hold the national budget to current levels.

Mitterrand said he does not expect the prime minister to implement "some kind of new austerity, but to continue the work already undertaken, adapted to the rigor of the times." "This policy is right...in spite of the difficulties," he added.

The French president appealed to the French people to "choose -- where the quality is equal -- French products" in a bid to help overcome the country's chronic trade deficit. "To fight against inflation is to save the French franc and maintain the purchasing power," he added.

Referring to the foreign policy, Mitterrand reaffirmed French loyalty to both European unity and the Atlantic alliance while retaining its freedom of choice.

Mitterrand made the address at a time when the ruling majority suffered a setback in the recent municipal elections, the French franc was devalued for the third time in two years and a Cabinet reshuffle has just taken place.

At present, France's economy remains unhealthy, with trade deficits totalling more than 16 billion francs, inflation rate doubling that of West Germany and the number of unemployed surpassing two million.

BORBA COMMENTS ON HU YAOBANG'S SPEECH ON MARXISM

OW250454 Beijing XINHUA Domestic Service in Chinese 0138 GMT 22 Mar 83

[Text] Belgrade, 20 Mar (XINHUA) -- The Yugoslav paper BORBA on 19 March carried a commentary by its commentator, Teslic, entitled "Marxism in the East," on Comrade Hu Yaobang's speech at the meeting marking the centennial of the death of Marx.

The commentary says: "Chinese Communists today are giving Marxism national and social features characteristic of the East. This is manifest primarily in China's special road for building socialism. China's special road for building socialism is what is most interesting to the world's Marxists at present."

The commentary, after quoting writings by Mao Zedong and Liu Shaoqi on consideration being given to China's actual characteristics and adapting Marxism to China's conditions, points out: Hu Yaobang, general secretary of the CPC Central Committee, has once again confirmed this attitude toward Marxism.

The commentary says: Hu Yaobang pointed out that "the world communist movement has followed a tortuous course of development" since World War II. And this is exactly what some people have used as the basis for the argument that Marxism is in a state of "crisis." Hu Yaobang stressed that in the tortuous course of development all true Marxists and farsighted people are discerning a most essential, positive factor, that is, politically and ideologically more and more Marxist parties and organizations have dared to break with blind faith, to emancipate their minds and to think for themselves, thus becoming able to independently to integrate the universal truth of Marxism with the concrete practice of the revolution in their own countries.

The commentary says: Hu Yaobang insisted on one point, that is, each Marxist party must formulate its own line and policies according to the new situation. As far as China is concerned, the new situation is China's modernization process. Two aspects of Hu Yaobang's analysis of China's modernization process have caught people's attention -- the attitudes toward the rural areas and intellectuals. On rural policies, he firmly advocated that China must overcome the "mistakes of egalitarianism," not "eat out of the same big pot" and must link income with output.

On the question of intellectuals, the commentary says: Some of China's oldest party members were intellectuals. In a party's founding stage attention is always paid to intellectuals. And in periods of left deviation, science and intellectuals are always the first to be attacked. Therefore, since 1978, as the party is in a period of major changes, Deng Xiaoping has put forward the viewpoint that the overwhelming majority of the intellectuals have become a part of the working class.

The commentary says in conclusion: We shall return to the crucial question raised by Chinese Communists early in the revolutionary period: how to liberate the productive forces, and how to break with the erroneous ideas and molds which confine people's thinking and are not in keeping with China's conditions. Isn't this the secret and key to the success of Marxism in the East?

SURVEYORS, DESIGNERS HOLD MEETING IN BEIJING

Yao Yilin Speaks

OW241139 Beijing XINHUA Domestic Service in Chinese 1452 GMT 23 Mar 83

[By RENMIN RIBAO reporter Mo Xinyuan and XINHUA reporter Ding Genxi]

[Text] Beijing, 23 Mar (XINHUA) -- The surveying and designing units should seriously do good preparatory work in major state construction projects during the Sixth 5-Year Plan period and the Seventh 5-Year Plan period, just as they did in major construction projects during the First 5-Year Plan period. This is what Yao Yilin, vice premier of the State Council, advised at the national meeting on survey and design work, which closed today.

Yao Yilin said: Because we overlooked preparatory work in capital construction during the 3 decades and more since the founding of the People's Republic, many projects were hastily started. As a result, we had to repeatedly revise designs, add funds and delay completion, and the results of their construction were very poor, causing serious losses and waste. We must seriously remember this lesson.

Yao Yilin pointed out: Survey and design work is a key link in capital construction. It decides whether we can accelerate construction, save money, land, raw and processed materials, and ensure good economic results for a project. In order to achieve the grand objective of our economic construction before the end of this century, we must build major construction projects well during both the first 10 years of laying the groundwork and the second 10 years, in which we will make vigorous economic development. In order to build major projects well, we must first do good survey and design work.

Yao Yilin said: The government has decided to build a number of key projects during the Sixth and Seventh 5-Year Plan periods, such as a nuclear power station and a key water control project at Sanxia on the Chang Jiang. These projects have set very arduous tasks for surveyors and designers because they require a large amount of funds, long construction time, advanced and complex technology, many accessory projects and the cooperation of many departments. I hope that the surveyors and designers will adopt an overall point of view, assume a strict scientific attitude, constantly improve their vocational skills and actively apply advanced technology to guarantee the smooth proceeding of major state construction projects.

Yao Yilin also called on all provinces, municipalities, autonomous regions and departments to work according to the procedures of the capital construction and support the work of the survey and design units.

The national meeting on survey and design work, held by the State Planning Commission, summed up and exchanged the experience of the survey and design work, and studied questions on how to undertake reform, promote technical progress and create a new situation in survey and design work.

Contract System Proposed

OW250853 Beijing XINHUA in English 1445 GMT 23 Mar 83

[Text] Beijing, March 23 (XINHUA) -- A contract responsibility system, which rewards efficiency, will be instituted by survey and design departments in China, and power will be given to them to dispose of part of the additional income they generate. This was a decision made at a national survey and design work conference that closed here today.

This system is aimed at encouraging the survey and design departments to improve their management, quality of work and technical level.

Under the new system, all survey and design departments will sign contracts with construction units on a voluntary basis, and will be paid by the latter for the work undertaken. The survey and design departments are responsible for the quality and quantity of the work they contract for. The income they receive, apart from the portion delivered to the state, will be used for replacing equipment and welfare and bonuses for surveyors and designers. In the past, according to the conference, the survey and design departments waited for orders from above and depended on the state for all their expenses. All units were treated alike, irrespective of the quantity and quality of work done.

The new system has been tried in 42 survey and design departments in various parts of the country. Results showed that between 1981 and 1982 they collected more than 196 million yuan and spent 104 million yuan. A number of units generated sufficient money to upgrade their equipment and improve the working and living conditions of their members.

The Shanghai Industrial Project Designing Institute, which was the first to try out the system six years ago, completed an annual average of 520,000 square meters of construction projects in the first three years and 1.24 [million] square meters in the next three years. The levels and quality of designs have also improved, according to the conference.

Within a unit, the conference decided, subcontracting should be encouraged so that payment will be given to each worker according to the amount of work done.

The Fujian Provincial Construction Project Design Institute signed a contract with each work section requiring the latter to fulfill fixed targets set for designed floorspace, investment, output value, quality and punctuality, and the work section, in turn, subcontracted with each work group. Bonuses were decided according to the work performance of each worker.

HU QIAOMU CONGRATULATES LITERATURE PRIZEWINNERS

OW241236 Beijing XINHUA in English 1138 GMT 24 Mar 83

[Excerpt] Beijing, March 24 (XINHUA) -- Veteran poet Ai Qing who is in the 51st year of literary activity today received his prize together with a 20-year-old college girl at a prize-awarding ceremony amidst warm applause. The Chinese Writers Association sponsored four contests simultaneously this year: the first national poetry anthologies contest (10 works awarded), the second national reportage contest (25), the fifth national short stories contest (20), and the second national novellettes contest (20). In all, 84 authors of 75 works won the awards.

Prior to the ceremony, Hu Qiaomu, member of the Political Bureau of the Chinese Communist Party Central Committee, telephoned his congratulations to the prize winners. Deng Liqun, head of the Central Committee's Propaganda Department, and Zhou Yang, its adviser, attended.

STATE, PROVINCES TO BUILD COMMODITY GRAIN BASES

OW250524 Beijing XINHUA Domestic Service in Chinese 1318 GMT 24 Mar 83

[By JINGJI RIBAO reporter Tian Jijin and XINHUA reporter Zhou Yichang]

[Text] Beijing, 24 Mar (XINHUA) -- Agreements were signed in Beijing this morning between the state and some local authorities on joint state-local investment to build

commodity grain bases in selected counties (cities). The agreements set the terms on state investment and local grain delivery to the state.

The agreements were signed by Zhu Rong, vice minister of the Ministry of Agricultural, Animal Husbandry and Fishery; Ji Ming, vice minister of the Ministry of Commerce; and responsible persons of the agricultural departments of Anhui, Heilongjiang and Jiangsu Provinces. They were representing, respectively, the state and the People's Governments of Anhui, Heilongjiang and Jiangsu Provinces.

The plan to build commodity grain bases with joint state-local investment covers 50 counties (cities) in 8 provinces. Besides Anhui, Heilongjiang and Jiangsu Provinces, the state will successively sign agreements with Jilin, Henan, Hubei, Hunan and Jiangxi Provinces. The state has decided to set aside 300 million yuan from agricultural capital construction funds to help the 50 counties (cities) in those 8 provinces to develop grain production in the last 3 years of the Sixth 5-Year Plan period.

As China is a big country with a population of 1 billion, feeding the people is its task of prime importance. Since the 3d Plenary Session of the 11th CPC Central Committee, the state has made great efforts in various respects to support the development of grain production in order to solve the food problem and has achieved remarkable results. However, the state allocation of funds to local governments has been in the form of a guaranteed "supply" and has not attached any conditions for local grain delivery to the state. As a result, the responsibilities, powers and rights are not clear, the burden of the state is heavy and the state investment has not enabled the state to receive more commodity grain. In order to improve the situation, the State Planning Commission, the Ministry of Agriculture, Animal Husbandry and Fishery and other departments concerned have decided to reform the old practice of the agricultural capital construction management in guaranteed funding for the building of commodity grain bases. The new practice calls for joint state-local investment with the local authorities contracting for building the commodity grain bases and local grain delivery to the state linked with the state investment. Agreement is signed to clarify the responsibilities, powers and rights of both the investor and the contractor.

The agreement stipulates: The state allocation of funds and "three materials" (rolled steel, timber and cement) shall be delivered to the county in three annual installments. From 1985 to 1990, the county building the commodity grain base shall annually deliver 5 jin of grain to the state for each yuan of state investment, in addition to its existing grain delivery quotas. During the 6-year period, the county may make varied annual delivery according to its actual situation, with more grain delivered in years of bumper harvests and less grain delivered in years of poor harvests. Final adjustment would be made in the last year. In this way, the state will receive approximately 9 billion jin more of commodity grain and the local governments and peasants will also benefit.

In order to make the limited investment yield greater economic results, the agreement guarantees that special state funds for building projects in connection with popularization of agricultural techniques and superior seed strains and for building small farmland water conservancy projects will be earmarked for their specific purposes only.

In order to ensure the fulfillment of the agreements, the state departments concerned have jointly set up a leading group for building commodity grain bases to take charge of organizing and supervising the building of the commodity grain bases.

From 11 to 24 March the State Planning Commission and the Ministry of Agriculture, Animal Husbandry and Fishery ran study classes in Beijing that were attended by the principal responsible persons of the 50 counties (cities) selected to build commodity grain bases.

Du Runsheng, director of the Rural Policy Research Center of the CPC Central Committee Secretariat attended and addressed the ceremony for signing the agreements. Also present at the ceremony were responsible persons of the State Planning Commission, the Ministry of Agriculture, Animal Husbandry and Fishery, the Ministry of Commerce and the Agricultural Bank of China.

RENMIN RIBAO ON CONTRACT SYSTEM IN AGRICULTURE

HK241310 Beijing RENMIN RIBAO in Chinese 23 Mar 83 p 1

[Commentator's article: "Expand the Coverage of the Output-Related Contracting System"]

[Text] How to expand the system of contracted responsibility with payment linked to output (commonly called contracting by the masses) from contract responsibility for farmland to cover such fields as contract responsibility for grasslands, mountains and rivers, as well as shoals and marshes, and make the rural economy more flourishing and prosperous is an important matter we must conscientiously study and solve at present.

The system of contracted responsibility with payment linked to output is a great creation of the Chinese peasants, and it has surmounted numerous "left" obstacles to open up a new path for the development of agriculture. However, the development of the responsibility system is not balanced, and one of the manifestations of this imbalance is that the development in the field of agriculture (mainly also the field of grain, cotton and oil-bearing crops) has been faster, and remarkable results have been achieved. In comparison, the development in such fields as animal husbandry, forestry, fishery and the industrial-processing industry is not fast enough, and some of them have still not made a breakthrough. This kind of condition is detrimental to the all-round development of our rural economy. In the past, the system of contracted responsibility with payment linked to output was considered to be suitable only for impoverished areas but not for prosperous areas. This viewpoint has already been corrected in actual life. Then, apart from agriculture, is the system of contracted responsibility with payment linked to output suitable for other professions and trades such as animal husbandry, forestry and fishery? As a matter of fact, this question has already been settled in practice by the masses. For the past several years, regardless of whether in forestry, animal husbandry or fishery, some of the units have thrown away old conventions and practiced contracting with good results. We can say that wherever contracting has been carried out, changes have taken place; any profession or trade engaged in contracting will be upgraded. Today, we have published a report on Gande County of Qinghai Province. After carrying out contracting for only a year, some 53 stock-raising production teams there have already achieved very good results and they have also summed up six major advantages in contracting; in some undertakings of a developmental nature, as in the case of the development of barren hills, rivers and shoals, the power of the system of contracted responsibility with payment linked to output is particularly striking.

China has very little cultivable land per capita but extremely vast grasslands, hillsides, barren hills suitable for planting trees and water surfaces, as well as shoals and marshes. If we only make an issue of cultivable land and do not develop and utilize these natural resources, we will not be able to make a bigger breakthrough in agriculture. Now that the solid ice of the "left" has been broken, the masses are urgently calling for the relaxing of policies and the adopting of the method of contracting to develop these natural resources. We should satisfy the demands of the masses, adroitly guide action according to circumstances, and organize the masses to advance on the broad road of becoming prosperous through labor. In forestry, animal husbandry, sideline production and fishery, the conditions are similar. We should proceed from reality and adopt flexible methods in accordance with the basic principle of contracting.

For example, policies for contracts of a developmental nature must be appropriately relaxed, and contracts for the development of barren hills can be fixed for scores of years to guarantee the material interests of the contractors. Some of the industries in industrial processing formerly managed by the collectives, which for a long time have not been properly run, unquestionably can be contracted out by means of calling for tenders if the masses wish to contract for them. Those that are appropriate for groups should be awarded to groups and those that are appropriate for households should be awarded to households, and the system of contracted responsibility in management can also be practiced.

The further development of the system of contracted responsibility with payment linked to output in forestry, animal husbandry, sideline production and fishery will certainly make the rural economy more active. Naturally, it will also produce some new problems. We definitely must not use "left" prejudice and make a fuss at the sight of some little thing which is perfectly normal. What is more, we also must not hastily "correct the deviation." We should adopt an analytical attitude to look at the thing more carefully and make more investigations and study. The level of our rural productive forces is still low and commodity production is not developed. We should allow a certain degree of movement of capital, technology and labor as well as manifold forms of integration. This is advantageous to the development of rural economy.

This year, the system of contracted responsibility with payment linked to output has already been set up in the vast countryside. We must shift the focal point of the work on stability and perfect the responsibility system under the premise of contributing to stability so that the hundreds of millions of peasants will more confidently and energetically develop production. In places where the system of contracted responsibility with payment linked to output has not yet been set up, but is demanded by the masses, we must boldly let them practice. If work in these two directions has been properly carried out, it will bring about a more powerful dynamic force for the development of agriculture.

MEETING URGES INDUSTRY TO SUPPORT AGRICULTURE

OW241105 Beijing XINHUA Domestic Service in Chinese 1221 GMT 23 Mar 83

[By reporter Xu Yaozhong]

[Text] Beijing, 23 Mar (XINHUA) -- The national meeting on industrial and communications work, being held in Beijing, has decided: The industrial and communications department should follow the instructions of the party Central Committee and the State Council in taking the initiative to serve the peasants and energetically support agriculture in six respects.

The meeting analyzed the current situation in the rural areas and the demands set by the rural situation for the production of the industrial and communications department. The participants at the meeting hold that, with the implementation of the system of responsibility for production in various forms, the rural areas need the industrial and communications department to supply them with more means of subsistence and production to meet their thriving economy. In 1982 for example, the retail sales of agricultural means of production amounted to 39 billion yuan, up 12 percent from 1981; the supply of products meeting rural needs, such as small tractors, internal combustion engines, and threshers, manual sprayers and rubber-wheeled handcarts increased by more than 30 percent over 1981. Recent information from various localities shows that the vast rural areas this year have a still higher demand for industrial products. Therefore, the meeting put forward the following demands to the industrial and communications departments in various localities:

1. The machine-building industry should develop small, versatile, energy-saving and inexpensive farm machinery and processing machinery to meet the peasants' needs;
2. The chemical industry should adopt measures to develop compound fertilizers, granulated fertilizers, highly effective agricultural chemicals with few harmful residual effects, and raw materials for plastic sheets for agricultural use;
3. The light, textile and food industries should add new categories of products, improve processing technology and increase their consumption of agricultural and sideline products; it is necessary to develop the fodder industry as soon as possible;
4. The communications and transport department should adopt measures to transport supplies for agricultural use and agricultural and sideline products in a timely way;
5. Efforts should be made to provide the rural areas with equipment and technology in order to help them develop energy sources, such as small hydroelectric power units, marsh gas, wind force and solar energy; and
6. It is necessary to consider the changes in the demand of the rural market and the peasants to strengthen the connection between industry and commerce, smooth commodity circulation, supply the rural areas with suitable industrial products, and provide the peasants with more, better, inexpensive and durable consumer goods and building materials.

FORESTRY PROMOTED ALONG HUANG HE BASIN

OW241435 Beijing XINHUA in English 1351 GMT 24 Mar 83

[Text] Xian, March 24 (XINHUA) -- Indiscriminate felling of trees and reclamation of pastures has been basically brought under control in most areas in the upper and middle reaches of the Yellow River, which used to suffer from serious water and soil erosion.

In 1982, efforts were stepped up to implement the "Regulations for Water and Soil Conservation" in Shaanxi, Gansu, Shanxi, Qinghai and Henan Provinces, the Inner Mongolia Autonomous Region and the Ningxia Hui Autonomous Region.

Meanwhile, the responsibility contract system was widely adopted for conservation work, said a spokesman for the Xian-based conservation administration for the middle reaches of the Yellow River. In the five provinces and two autonomous regions, he said, people planted trees on 480,000 hectares and grass on 160,000 hectares last year. As a result, the spokesman added, water and soil erosion was brought under control on more than 7,580 square kilometers, overfulfilling the annual quota by 75 percent.

The upper and middle reaches of the Yellow River covering the bulk of the Northwest China loess highlands used to be covered by trees in ancient times, according to historical records. Excessive felling through the ages stripped large tracts of vegetation, causing fabulous amounts of top soil to be washed into the Yellow River.

DEMOCRATIC GROUPS SUPPORT REMOTE, MINORITY AREAS

OW241515 Beijing Domestic Service in Mandarin 0900 GMT 22 Mar 83

[Text] In order to conscientiously carry out the guidelines of the meeting for coordinating the efforts of democratic parties and groups in providing support for the four modernizations work in remote and minority nationality areas held by the United Front Work Department of the CPC Central Committee and the State Nationalities Affairs Commission, the Central Committee of the China Association for Promoting Democracy on 21 March convened a meeting of the responsible comrades of the local organizations of the China Association for Promoting Democracy in all provinces, municipalities and autonomous regions to exchange views on coordinating the support work with the areas to be aided.

When the meeting of the United Front Work Department of the CPC Central Committee and the State Nationalities Affairs Commission was in session, the China Association for Promoting Democracy worked out 25 projects of intellectual support for the outlying areas. The number of these projects was increased to 42 as a result of the work done after meeting. Organizations of the China Association for Promoting Democracy at all levels have attached great importance to this work and have taken quick action accordingly. Some of them have already set out and started work, while others are preparing to go to Guizhou, Yunnan and other provinces.

MILITIA REFORM ACHIEVES 'DESIRED RESULTS'

OW181015 Beijing XINHUA Domestic Service in Chinese 1253 GMT 17 Mar 83

[Text] Beijing, 17 Mar (XINHUA) -- This XINHUA reporter has learned from the Military Commission of the CPC Central Committee and the PLA General Staff and General Political Departments that desired results have been achieved in the reorganization and reform of China's militia system, which began in 1981. By raising the militia units' quality and making them a more capable and vigorous force, the reorganization and reform has laid a good foundation for wartime mobilization.

By limiting the qualification age for militia service from 18 to 35, absorbing qualified female citizens into backbone militia organizations, deactivating a number of militia organizations that are no longer needed, and disbanding some small and scattered militia units, the reorganization and reform has solidified basic-level militia units and made them stronger than ever. Moreover, the majority of core militia members today are capable and young retired servicemen or well-trained militiamen with good military and political qualifications. All this has enabled the militia force to become more prepared than ever to meet combat readiness requirements and wartime mobilization.

The reorganization and reform has also achieved initial success in integrating the militia and reserve services and has laid a good foundation for perfecting China's reserve service system. Throughout the reorganization, the various localities have conducted reserve service training, organized all personnel qualified for reserve service into militia units to serve their reserve duties, and clearly stipulated that duties fulfilled as a core militia member are regarded as class A reserve service, while duties fulfilled by a noncore militia member are regarded as class B reserve service. The postreorganization militia has thus become both an integral part of China's armed services as well as a basic form of reserve service. This basically changes the long separation of militia from reserve service and facilitates the reserve buildup and wartime mobilization activities.

The reduction in militia strength and improvement in militia training resulting from the reorganization and reform have reduced the manpower and length of service and impact of militia activities, which in turn has lightened the people's burden and benefited the nation's economic construction and militia building.

RENMIN RIBAO ON ECONOMIC MANAGEMENT SYSTEM

HK250357 Beijing RENMIN RIBAO in Chinese 18 Mar 83 p 5

[Article by Sun Xiaoliang: "An Inquiry Into the Reform of the Economic Management System"]

[Text] Editor's note: The writer views the economic management structure as a general system formed by three branch systems, the microeconomic management system, the macroeconomic management system and the regulation system. He puts forward his proposal on the reform by regulating and completing these three branch systems. His proposal is worthy of discussion and study. [end editor's note]

The economic management system constitutes a systematic object composed of various essential factors that condition each other. Therefore, its reform has to be all-round and systematic.

To carry out systematic reform, it is first necessary to make clear the essential factors that form the economic system and how they interact with and condition each other. To sum up, the general system of the economic structure comprises three branch systems: the microeconomic management system, the macroeconomic management system and the regulation system. The reform of the microeconomic management system is aimed at bringing into play the inherent strength of an enterprise. The reform of the macroeconomic management system is aimed at bringing into play the inherent strength of an enterprise. The reform of the macroeconomic management system is mainly devoted to ensuring that the macroeconomic plan of the state is to be built on a scientific basis. The regulation system reform is aimed mainly to enable the macroeconomic plan of the state to effectively control the microeconomic activities of enterprises. Only by carrying out the reform of these three branch systems in a harmonious and comprehensive way, can we achieve the general target of realizing the economic system reform, make the enterprises thrive and maintain the proportional and harmonious development of the national economy.

On Microeconomic Management and Its Reform

The key problem of the existing economic management system is that enterprises lack the inner motive force to constantly improve its economic management. Only by grasping this key problem will our structural reform proceed from a strategically advantageous position with irresistible force. To arouse the inherent economic motive force in an enterprise, good or bad management should be linked directly with payment for labor. Politically, workers should be given real administrative decisionmaking power. It is impossible to arouse the initiative of enterprises, workers and staff without giving them a definite degree of material benefit and democratic power.

In order to link good or bad management directly with payment for labor in an enterprise, the existing distribution system should be changed. A standard wage and bonus stipulated by the state should be replaced by a system in which the quality of management determines the amount of wages and bonuses in an enterprise. To adapt to this, it is also necessary to reform the state financial system of unified state control over the income and expenditure of enterprises. The motive force in an enterprise is an energy generated by the direct link between contribution and remuneration. Unified control of revenue and expenditure is precisely what cuts this link.

What is the practical form through which we can directly link good or bad management with payment for labor of workers and staff in an enterprise? Since the 3d Plenary Session of the 11th CPC Central Committee, the reform has provided successful experience, as follows: implementing the system of genuine responsibility for profit or loss in enterprises run by the collective, and implementing the economic responsibility system in enterprises run by the state.

This may be called "the responsibility system on the profit and loss basis." This system now only requires further improvement and development on the existing foundations, and we should continue to follow this correct orientation in our reform. Further improvement means that the amount of payment for workers and staff should more correctly reflect the good or bad management of an enterprise so that "when the river swells the boat goes up and when the river drops the boat goes down." Further development means that the good or bad management of an enterprise should be linked not only with the bonus and welfare funds but with all payment for labor including wages. Both the system of contracted responsibilities with payment linked to output in agriculture and the system of contracted responsibilities with payment linked to operation in commercial enterprises have proved that the more extensive the relations between good or bad management and payment for labor in an enterprise, the more active role they will play in concentrating the motive force of the enterprise.

In order to determine the amount of wage and bonus for workers and staff according to the quality of enterprise management, enterprises should be given decisionmaking power with regard to production, supply and marketing so that the enterprises will run their operation and management relatively independently, in line with the state plan. This calls for a reform in the existing systems of planning management and material management. The obvious reason for this is that if these systems remain unchanged and if the plan is worked out by higher authorities, and materials are supplied and products distributed by higher authorities, then good or bad management is to a great extent determined not by the enterprise itself but by the administrative departments of the higher authorities.

Under these conditions, how can workers and staff in an enterprise assume responsibility for all economic consequences arising from such a system? There, innate force of an enterprise and a relative degree of decisionmaking power are two links joined to each other. We cannot have internal strength without decisionmaking power. At the same time, only when enterprises are given more decisionmaking power in production, supply and marketing, can we broaden the ties between the enterprises, thereby breaking the barriers between localities and departments and establishing economic networks with cities as centers, in line with natural relations between the economic activities.

However, under the condition of a planned economy, the enterprise's decisionmaking power should not be unlimited, otherwise the entire national economy cannot be developed in a proportional and planned way. Therefore, it is very important to expand the enterprise's decisionmaking power to "a suitable extent." According to the practical experiences we have acquired over the past few years, the general principle is: The state should be given macroeconomic decisionmaking power and the enterprise should be given microeconomic decisionmaking power. An enterprise's decisionmaking power that is expanded to a suitable extent should not be beyond the limit of the microeconomic decisionmaking power.

With the expansion of decisionmaking power, enterprise is given authority, under the guidance of the unified state plan, to decide what and how much to produce according to society's needs, and to select materials to be purchased and sell its products under the most favorable conditions. Therefore, market regulation that plays a supplementary role in the planned economy is an inevitable result of the expansion of an enterprise's decisionmaking power.

On the Regulation System and Its Reform

The mobilization of an enterprise's internal force is very important for economic and technical development. However, the national economy can be developed in proportion only if the enthusiasm and initiative of an enterprise is aroused according to the demand of the unified state plan.

This requires a complete regulation system so that the state's macroeconomic plan is able to guide the microeconomic activity of an enterprise.

One weakness of the previous economic system was caused mainly by the existence of only one method -- regulation, the mandatory plan -- which led to inflexibility and over-centralization. This must be reformed to give enterprise the necessary decisionmaking power while generally keeping it under control. Therefore, we need a regulation system that comprises many forms of regulations. Generally speaking, first, regulation is directly carried out by direct planning; second, we should make the most of market mechanical regulation and keep it under control by indirect planning. This is described in Article 15 of the Constitution: The state ensures a harmonious national economic development in proportion by comprehensive balance of economic planning and supplementary market regulation.

Directly planned regulation is the mandatory plan issued by the state. It fixes the production and the quota to be fulfilled by the enterprise and the products to be distributed among units for consumption according to the state's plan. Directly planned regulation can be adopted in some important materials needed by the state such as national defence and military supplies and goods needed to stabilize people's living standards. Because such tasks are important, direct planning enables us to fully meet the needs. Because these key tasks are few, it is possible to achieve a sound balance between all sides concerned.

Apart from a number of products manufactured according to the directly planned regulation, there are hundreds of varieties of products with numerous specifications. To meet special needs in all aspects, it is impossible to set the range and target of production according to mandatory plans issued by the state; they should be arranged by enterprises in line with changes in market demand. It is inappropriate for the state to unify distribution and it is necessary to achieve the circulation of commodities among enterprises by directly adjusting production to demand. It is necessary to adopt indirect planning measures in production and circulation of these commodities so as to bring them as far as possible into line with the demands of the state unified plan.

The so-called indirect planning measures mean: 1) giving instructions according to economic policy; 2) serving as a guide by making use of economic levers such as price, taxation and credit; 3) separation from state planning within the economic legislative limit; 4) running the management by organizational adjustment; 5) keeping the mandatory planning indices under control, and 6) serving as a guide by issuing information on production and demands for commodities.

The initial reform over the past 4 years has proved that these indirect planning measures are both necessary and effective. Now the problem is that to carry out the state's unified plan by systematically adopting these indirect planning measures, it is necessary to change the price, taxation, credit and management system, and establish a complete network of economic information. State economic management departments should learn to make use of economic regulations and laws as well as economic levers to regulate economic activities.

On the Macroeconomic Management System and Its Reforms

Establishment of a powerful regulation system is aimed at making the enterprise's economic activity follow the state's unified plan. However, this requires, first of all, scientific state unified plan; otherwise, the enterprise's economic activity will have nothing to follow and even the powerful regulation system will be unable to play its role correctly.

Practical experience has proved that naturally, it is impossible to ensure a national economic development in proportion without unified state plan, and that an unscientific unified plan is equally unable to ensure proportionate national economic development.

The two huge imbalances in proportion in our history were caused by unified plans which were not worked out on a scientific basis. We may say that the planned economy is not superior if the unified state plan is not worked out on scientific basis.

To work out a state plan on scientific basis, good intentions are not enough; it is necessary to establish a considerable system for its guarantee.

First, the unified state plan should not cover everything. It should mainly achieve a national balance relating to the whole of the macro economy. In the the proportion of accumulation to consumption, for example, the proportion between the total output products belonging to two big sectors, or the proportion between the production units of these two sectors' products in their departments are expressed in medium- and long-term plans by stipulating the amount of investment of fixed assets and the total amount of consumption funds and by determining the key projects of construction and transformation. If we make a sound arrangement of proportion and balance in these two major items, we will be able to ensure proportionate development of the national economy. The instructions recently issued by Comrade Zhao Ziyang say: We should manage the major aspects and give up the minor ones. The important lesson in the past was that over-emphasis on the minor aspects affected the balance in the major aspects.

Second, we should establish an economic responsibility system with regard to macro-economic decisions. Confused orders have been repeatedly issued in our economic activities. The reason for this cannot be found purely in a person's ideological work style, and also in the management system. A wrong policy or a miscalculated plan can make the state and the people suffer losses of millions of yuan, but those who made the decision will not bear any economic responsibility. It is very hard to avoid the issuance of confused orders under this system. The economic responsibility system should, therefore, not only be adopted in the enterprises and among common workers but also in the state economic management departments.

Third, we should reform the functional structure and organization structure in the state economic management departments and provide the decisionmakers with sufficient information material and suggestions to be drawn upon when making decisions. Anyone engaged in making macroeconomic decisions, whatever ability he may have, will never be a universal expert. He is unable to collect all information materials and analyze them personally. It is necessary to set up a complete organization engaged in doing a good job in various aspects which are indispensable to making macroeconomic decisions on a scientific basis. The present government economic management departments at all levels have been established according to the requirement of the government's centralized management system. Their functions and organizations are aimed mainly at directing and controlling the production, supply and marketing in enterprises and they cannot meet the needs of making macroeconomic decisions on scientific basis. They should undergo reform. The reform of functional structure in the government economic management departments will be carried out by turning what was their previous basic function of organizing enterprises' production, supply and marketing, into the function of working out macroeconomic plans and making other macrodecisions as well as for formulating policy, laws and regulations in order to carry out these plans and policies. The structural reform in the government economic management organizations is mainly aimed at streamlining the power organs that have the power to organize production, supply and marketing, and to strengthen the advisory organizations for making macroeconomic decisions. These reform measures are indispensable to ensuring that the state makes scientific unified plans and macroeconomic decisions.

The above three aspects are mutually related and they condition each other, forming a general economic management system. If only one of the three aspects is reformed, the other important factors will fail to condition each other and the entire system will lose its balance.

SONG RENQIONG MOURNS DEATH OF YANG YONG

HK220146 Beijing RENMIN RIBAO in Chinese 19 Mar 83 p 4

[Article by Song Renqiong: "Mourning My Bosom Friend Yang Yong With Deep Grief"]

[Text] When I paid my last tribute to Comrade Yang Yong's body with deep grief, Comrade Lin Bing said to me: "You have lost a bosom friend." Yes, the serious illness has robbed our country of a loyal communist fighter and an excellent general who had achieved outstanding merits on the battlefield and has also robbed me of a bosom friend who had shared my weal and woe and was as intimate to me as a brother.

I became familiar with Comrade Yang Yong in 1934 when I was the political commissar of the regiment of cadres directly under the CPC Central Committee and he was a political commissar of a fine regiment in the 3d corps of the Red Army. Together, we traveled across thousands of mountains and rivers in difficulties and victoriously arrived in northern Shaanxi after the 25,000-li Long March. It was in the later period of the war of resistance against Japan that I first became a colleague with Comrade Yang Yong. In May 1944, the southern Hebei and Hebei-Shanxi-Henan areas merged into a new Hebei-Shanxi-Henan Military District and I began to work with Comrade Yang Yong in the district. We worked and lived together day and night and fought shoulder to shoulder. We spent many unforgettable days and nights together fighting against the Japanese aggressors amid the fire of battle, risking the same danger and sharing weal and woe. In 1949, we again worked together and marched into the vast area of southeastern China under the command of Comrades Liu Bocheng and Deng Xiaoping. Comrade Yang Yong commanded the 5th corps of the No 2 field army to seize Guizhou, while Comrade Chen Geng and I commanded the 4th corps of the same army, heading south into Yunnan. After the liberation of the whole country, Comrade Yang Yong and I were respectively transferred to Beijing. We did not work in the same unit, but we always maintained the revolutionary friendship formed in the days of war and often visited one another and had heart-to-heart talks.

Comrade Yang Yong was an excellent leader of our party and Army. He had outstanding leadership ability and lofty thoughts and virtues. He deeply impressed me with his resolute and open revolutionary optimism and his leadership skill in being able to both adhere to principles and unite the comrades.

Comrade Yang Yong was characterized by his width of vision and his frankness. He had firm confidence in the cause of the party and was a dauntless optimist. Whether in peace or war, and whether under smooth or arduous circumstances, he was always happy. This revolutionary optimism always inspired the comrades around him and imbued them with strength. He maintained this revolutionary spirit right to the end of his illness of a cancer when he was very weak. Last November, I went to the hospital to visit him. When he talked with me, he said to me with the same happy mood as ever: "The doctor told me I had only 2 months to live and I **has already passed**. I have only 1 month left." He talked as if he had not been critically ill. After talking about his illness, he talked with me about the work and gave a few opinions on it. He constantly bore in mind the party's cause, especially the Army building. At the last moment of his life, Comrade Yang Yong looked very calm; he gave no consideration at all to his personal survival. He proved himself to be a man of steel and a firm and dauntless communist fighter! Tears ran down my face as soon as I left his room.

Comrade Yang Yong was a leader with a strong sense of principle. He never was vague or yielded to others on matters of principle and always had the courage to give his opinion and adhere to his correct views. At the same time, he respected his comrades and could listen modestly to the different views of various circles. He was generous to other people and was good at uniting other comrades to work together with him.

He could cooperate with those comrades who differed from him in views and even those who had opposed him. Along with the development of the cause of the revolution and construction, Comrade Yang Yong was often transferred to new posts. At all new places and new posts, he was able to correctly handle relationships with all people. During the past few decades, I never heard about any instances of disunity between Comrade Yang Yong and other comrades. Being able both to adhere to the party's principles and to unite comrades is a quality and leadership ability that an excellent leader must have. Comrade Yang Yong set an example for us in this respect.

For the liberation cause of the Chinese people and for the magnificent ideal of communism, Comrade Yang Yong fought bravely, gave all his energy, and selflessly devoted all his life. By so doing, he won the love and respect of the broad ranks of the Army and the people. At a time when the party needed Comrade Yang Yong to hold a more important leading post, he left us too early. However, his revolutionary spirit and lofty virtues and his frank and optimistic outlook and smile have been indelibly engraved in my mind and he will always live in our hearts.

CHEN MUHUA DISCUSSES EXPORT TRADE SITUATION

HK251104 Shanghai SHIJIE JINGJI DAOBAO in Chinese 7 Feb 83 pp 1, 2

[Report by Chi Tingxi and Lu Wenlong, SHIJIE JINGJI DAOBAO reporters in Beijing: "A Special Interview With Chen Muhua on the Situation of Export Trade"]

[Text] Chen Muhua, state councillor and minister of foreign economic relations and trade, gave a special interview to SHIJIE JINGJI DAOBAO reporters in the CPPCC assembly hall in Beijing on the afternoon of 26 January. The interview lasted for more than an hour. Answering questions raised by the reporters, she talked about the situation of our country's export trade and the several jobs which should be done this year.

The International Economic Situation Is Unfavorable to Our Export, but Our Export Trade Can Still Be Done Well and Developed

Chen Muhua said: People have made different forecasts of the world economic situation. Various Western countries have different economic conditions. Generally speaking, this year won't see a marked improvement in the economic situation of the West, and various countries practice protectionism. This adversely affects our export trade. However, our foreign trade can still progress, provided our work in various fields is well-coordinated and we exert concerted efforts. Judging by last year's situation, the world economic situation was not good at all. Western countries had diminishing demands for capital goods, factories closed down, and the world export trade, particularly the export of machinery, electrical appliances and instruments, decreased. However, a large proportion of our country's export comprises light industrial products, textiles, farm and sideline products, coal and petroleum; machinery and electrical appliances account for only a small proportion. For this reason, our export trade was not so seriously affected as that of the industrially developed countries. As a matter of fact, there was an increasing demand for our country's consumer goods, and a favorable balance was registered in our country's import and export trade last year.

Strengthen Promotion of Sales

Chen Muhua continued: In dealing with import and export trade, exports should be emphasized. Once export trade is brisk, import trade can be handled easily. At present, there is difficulty in dealing with export trade because everyone wants to sell and it is a buyers' market. We have not fixed a high export quota for this year, but we do not have as many contracts on hand as we had last year, so that it is necessary to strengthen the promotion of sales. We did a fine job in foreign trade last year.

We have the confidence to accomplish and overfulfill this year's plan as long as we stir ourselves, emancipate our minds and work hard. In strengthening the promotion of sales, we must first invite other people to do business. Trade fairs are held twice a year in Guangzhou. Foreign businessmen are invited and all sorts of goods are displayed, so that big transactions may be concluded efficiently, within a short period of time, at the fair. This traditional method of doing business still works well. This is also a good opportunity for conducting a survey. Through a trade fair, it is possible to know the customers' needs and our factories can plan production according to these needs. The second thing to do is go out to do business, bring the role of our country's commercial organs into play in foreign countries. Trade groups may also be sent to foreign countries to promote sales. Third, we must get mail-order sales. This method has been found effective in practice over the past few years.

Improving the Quality of Export Commodities

Chen Muhua said: The key to promoting the sales of our products in the world market is to manufacture salable goods. We should produce cheap and fine-quality goods, with good packaging, and provide good service. The goods must be shipped promptly and delivered according to schedule, so as to open a new market and be competitive in the international market. To make our goods salable, we must strengthen contacts with the industrial departments, telling them about the world market demands and the world's new technology so as to promote the updating and upgrading of our commodities. We must help production departments make use of foreign capital to import technology and carry out enterprise reform. We must organize special factories to export products and set up comprehensive production bases, especially agricultural and sideline production bases.

Bringing the Superior Features of the Coastal Cities Into Play in Developing Export Trade

Chen Muhua said: The coastal cities have industrial bases, technical forces and transport facilities. They are experienced in and have the conditions for doing business with foreign merchants. Their superior features should be brought into play in order to produce greater quantities of export goods. In Shanghai and Tianjin, the processing of imported raw materials accounts for 40 percent of export commodities. This percentage may increase in the future. Of course, the work in this aspect will take a relatively long period of time and will not produce results in only 1 year.

Doing Business by Flexible Means, Opening New Markets for Export Commodities

Chen Muhua said: It is necessary to maintain and develop the traditional markets of our country's export commodities. At the same time, it is necessary to open markets, find new sources of goods and develop trade according to the characteristics of the market. In developing foreign trade, flexible means should be adopted and it is inadvisable to stick to one pattern. Where necessary, export credit loans may be issued and entrepot trade conducted. Business should be conducted in a flexible way. Contracts on construction projects may specify the export of construction equipment and building materials, such as building machines, steel rods, cement, electric wire and cable, sanitary equipment, wallpaper, lamps and so forth. Cooperative production may be carried out by various means. Productive technology has not developed evenly among various countries. Some countries are advanced in the production of certain components of certain kinds of machines. They may exchange these components: this also is trade. Some countries have proposed cooperating with us in establishing some processing and assembly plants located in these countries. Their proposals may be seriously considered. Therefore, in my opinion, all forces should be combined to form a whole body to develop trade. All should emancipate their minds not stick to conventions. They must break away from old stereotypes and create a new situation. Of course, we should do so not just for 1 year but for a long period of time before we can achieve success.

Strengthening Collection of Information on Commodities

Chen Muhua said: Collection of information is an important link in developing foreign trade. Information must be transmitted promptly, accurately and systematically. It should be systematically rearranged, appraised and studied. There should be a special group to study the markets in different parts of the world. As soon as the point of collecting information is raised, some factories want to send their own men to make investigations abroad. The world market is so vast and the conditions there are ever-changing. The information brought by some people after staying abroad for only a month or so can only be partial and be relevant for a while. Systematic and all-round information relies on the systematic research conducted by units specialized in market survey. People of different countries follow different ways of life and have different demands for economic development. Only through an all-round survey and study can we understand these conditions and help the production departments manufacture salable goods and open new markets. For example, pottery can be divided into two types: pottery for everyday use, and handicraft and artistic pottery. The earthenware used in Japan is different from that used in India. The Indians eat by picking up food with their fingers from dishes, the Japanese eat with chopsticks and Europeans use forks and knives. They have different habits in everyday life, and their daily utensils are different. Among our factories, there should be a division of labor regarding the market. Some should concentrate on studying the production of goods suited to the lives of the Arab countries, so that they can produce the major daily utensils of different types according to the Arab people's needs. Only in this way can our products be welcomed by the Arab people. Not all of us should orient our production to the whole world. Handicraft and artistic pottery should also be produced according to the likes and aesthetic standards of the people of different countries. We should not export the same kind of pottery to every part of the world. Some time ago, every trade department rushed to export cloth shoes, so that the boom in cloth shoe exports was short-lived. We should not allow a similar event to happen again. At present, many departments are engaged in foreign trade and it is rather difficult to coordinate action among them. There should be a unified plan and a unified policy for them to follow so that they can be united in their foreign trade dealings.

Industrial and Trade Departments Should Be Combined and Each Should Pay Particular Attention to Its Work

In conclusion, Chan Muhua talked about the question of combining the industrial and trade departments. She said: At present, there are two tendencies concerning this question. One is that the industrial department wants to annex the trade department and emphasize industrial production. The other is that the trade department wants to annex the industrial department and emphasize trade. In my opinion, generally speaking, the industrial and trade departments should be combined, as one cannot replace the other, and each should pay particular attention to its work. The industrial department should devote its efforts to production and improve its technology to turn out better and cheaper products needed by the market. The trade department is responsible for commodity circulation, playing the role of a belt linking production and marketing. It also informs the factories of the consumers' demand and helps them import technology. The industrial and trade departments are combined and each has its own responsibility and cannot replace the other. They should not seek to dominate each other. The more developed production is the more elaborate the division of labor will be. Taking all things into one's hands is incompatible with modernization and is the "mode of handicraft production." We advocate that the industrial and trade departments should be combined, each paying particular attention to its work, with each helping and supporting the other.

NEW LEADING BODY OF FUJIAN CPC COMMITTEE FORMED

OW251317 Beijing XINHUA Domestic Service in Chinese 1211 GMT 25 Mar 83

[By reporter Cai Qinghe]

[Text] Fuzhou, 25 Mar (XINHUA) -- The Fujian Provincial CPC Committee has formed a new leading body with the approval of the CPC Central Committee. It is composed of 12 Standing Committee members. Xiang Nan is the first secretary [di yi shu ji]; Hu Ping and Ma Xingyuan are secretaries [shu ji]; Hu Hong is permanent secretary [chang wu shu ji] and Cheng Xu [4453 1645] is secretary [shu ji]. In addition to the above-mentioned five persons, the Standing Committee of the provincial CPC Committee includes the following members: Cong Dezi, Yuan Gai, Wen Xiushan, Zhang Yumin [1728 3254 3046], Zhang Kehui [1728 0344 6540] (Taiwan origin), Gao Hu [7559 5170] and Wang Yishi [3769 0001 1102].

The average age of the current Standing Committee of the Fujian Provincial CPC Committee is 59.2 years, 6.6 years younger than the previous one. Five members have a college-level educational background, four more than on the previous Standing Committee.

FUJIAN'S XIANG NAN SPEAKS AT MARX CENTENARY

OW240347 Fuzhou FUJIAN RIBAO in Chinese 15 Mar 83 p 1

[Excerpts] The Fujian provincial academic symposium to mark Marx' death centenary closed victoriously at the party school of the provincial party committee on the afternoon of 14 March. Leading comrades of the provincial party committee Xiang Nan, Wu Hongxiang and Cheng Xu attended the closing ceremony, which was chaired by Zhang Gexin, a leading member of the provincial government and chairman of the provincial Federation of Philosophy and Social Sciences Societies. Huang Ming, head of the Propaganda Department of the provincial party committee, delivered the closing speech.

Comrade Xiang Nan gave a speech at the meeting. He said: Social sciences and natural sciences must develop simultaneously. We should not favor one and be prejudiced against the other. In a sense, certain problems in the field of social sciences need to be solved even more urgently than those in the field of natural sciences. Properly correcting certain imperfections in production relations can generate immeasurable strength and value -- in the same sense that the influence of Marxist doctrines in the world cannot be calculated in terms of money -- and so it is far more significant than achieving a certain technical innovation.

Xiang Nan continued: Our country today faces the major task of economic reform. Many problems in this regard require research and solutions by social science workers. In 1981 we achieved great success in promoting various responsibility systems in agricultural production; in 1983 we should achieve certain breakthroughs in commercial reform. There are numerous problems that must be solved in Fujian, such as restructuring the administrative and educational systems, housing, development of forestry and sea resources, production and marketing of vegetables, foreign trade, how to carry out special policies and flexible measures in economic relations with foreign countries, and so forth. These problems must be studied and solved through integrating theory with reality. We cannot solve real problems by mechanically copying and applying ready-made answers from books. We must follow Marx' stand and method of discovering, studying and solving problems by getting involved in the work of society.

He added: On the premise of upholding the four basic principles, social science workers must emancipate their minds even further, foster academic democracy and dare to think, speak, write and work. They must emulate Marx' attitude and Comrade Sun Yefang's spirit of upholding truth. Social science workers must toil and sweat for Fujian's development, build a more flourishing garden of social sciences and give further impetus to Fujian's economic and social development.

Comrade Huang Ming pointed out in his closing speech that Marxism is a branch of science that serves as a guide for our revolution and construction. The important mission of philosophic and social science workers is to do a still better job in integrating Marxism with the realities in China. Our country today is facing the task of carrying out overall and systemic reform. It is hoped that philosophic and social science workers will -- under the guidance of Marxism -- delve into the realities of life to study the new situation, solve new problems and continue to enrich and develop Marxism in the course of building socialism with Chinese characteristics.

Huang Ming pointed out: "Letting a hundred flowers blossom and a hundred schools of thought contend" is one of our party's basic principles in promoting the progress of science and culture. This principle must be firmly adhered to. We must further emancipate our mind and bravely explore so as to achieve new breakthroughs and new accomplishments in the study of social sciences.

The symposium lasted 6 days during which experts, scholars and workers engaged in the study, teaching and propaganda of Marxism throughout the province exchanged and discussed their research work in nine groups: namely, philosophy, economics, scientific socialism, history, CPC history, party building, legal science, education and others.

FUJIAN RIBAO REPORTS FUJIAN-HUNAN ECONOMIC TIES

OW250203 Fuzhou FUJIAN RIBAO in Chinese 18 Mar 83 p 1

[Text] Following discussions, the leaders of Hunan and Fujian Provinces have decided to establish relations of long-term, comprehensive, mutually beneficial and fraternal economic cooperation.

On 15 March, Mao Zhiyong, first secretary of the Hunan Provincial CPC Committee; Liu Zheng, secretary of the committee; and Gei Hua, chairman of the Hunan Provincial Planning Commission, met with Xiang Nan, first secretary of the Fujian Provincial CPC Committee; Hu Ping, secretary of the committee and acting governor of Fujian; Wang Yishi, Standing Committee member of the provincial CPC Committee and chairman of the Fujian Provincial Planning Commission; and others to discuss matters concerning economic and technical cooperation between the two provinces.

The leaders of the two provinces held that since both Hunan and Fujian have their respective favorable natural and economic conditions, it is not only possible but necessary for them to promote economic cooperation and technical exchange between them so that they might learn from each other and supplement each other's shortcomings. They noted that the establishment of relations of economic cooperation between the two provinces is of great strategic significance to the speedy development of their economies and to the creation of a new situation in socialist modernization. During the discussion, both sides agreed in principle to cooperate in the fields of material supply, technology, import and export trade, import of advanced technology and equipment, transportation and economic development. They also reached preliminary agreement on a number of cooperation projects.

According to the agreement, the two provinces planning commissions will be responsible for organizing departments concerned to implement concrete programs and measures for cooperation projects, be in charge of economic cooperation between the two provinces, keep in constant touch and promptly exchange economic data and information in order to promote development of mutual aid and economic cooperation relations between the two provinces.

Before holding the discussion meeting Comrades Mao Zhiyong, Liu Zheng and Ge Hua visited and toured Fuzhou, Quanzhou, Zhangzhou, Xiamen and other areas.

SHANDONG PARTY COMMITTEE FORMS NEW LEADING BODY

OW251323 Beijing XINHUA Domestic Service in Chinese 1200 GMT 25 Mar 83

[By reporter Yuan Wenzhong]

[Text] Jinan, 25 Mar (XINHUA) -- With the approval of the CPC Central Committee, the Shandong Provincial CPC Committee has formed a new leading body.

The new Standing Committee of the Shandong Provincial CPC Committee is composed of 15 members (3 of the positions are vacant for the time being). Su Yiran and Liang Buting are secretaries [shu ji] of the provincial party committee; Lu Maozeng [7120 2021 2582], Li Changan [2621 2490 1344], Li Zhen and Jiang Chunyun [1203 2504 0061] are deputy secretaries [fu shu ji]; and members of the Standing Committee also include Yang Xingfu [2799 5281 1381] Yang Yanyin [2799 5888 6392] (female), Zhao Zhenxing, Cui Weilin [1508 1919 3829], Feng Lizu [7458 4539 2469] and Zheng Weimin [6774 0251 3046]. The average age of the present 12 Standing Committee members is 52.7, a drop of 12.6 years from what it was before. Among the Standing Committee members, six have a college educational level. Deputy Secretary of the provincial party committee Lu Maozeng, 55, is an alternate member of the CPC Central Committee and a senior agronomist, and has made contributions in cultivating superior wheat varieties and promoting a steady, high-yield variety of wheat throughout Shandong Province. Yang Xingfu, 47, was formerly assistant general manager and deputy chief engineer of the Shandong Qilu Petrochemical Industry Company, and he has rich professional knowledge and economic management experience.

SHANGHAI CIRCULAR URGES STUDY OF HU REPORT

OW250753 Shanghai City Service in Mandarin 1100 GMT 23 Mar 83

[Excerpts] The Shanghai Municipal CPC Committee recently issued a circular calling for studying the report by Comrade Hu Yaobang at the Beijing meeting in commemoration of the centenary of the death of Marx.

The circular points out: The report, entitled "The Radiance of the Great Truth of Marxism Lights Our Way Forward," made by Comrade Hu Yaobang at the Beijing meeting in commemoration of the centenary of the death of Marx is of great guiding significance for us to bring about a new situation in all fields of socialist modernization. After reviewing and summing up historical experiences, the report particularly expounds and proves the scientific Marxist concept, policy and principles on the question of knowledge and intellectuals.

The Shanghai Municipal CPC Committee's circular calls for party organizations at various levels throughout the municipality to organize the party members, cadres and masses as well as large numbers of young people conscientiously to study Comrade Yaobang's important report while organizing the second phase of study of the 12th party congress documents, in order to enable them to raise their understanding and improve their work.

ZHEJIANG PROVINCIAL CADRES' CODE OF CONDUCT SET

OW240929 Hangzhou Zhejiang Provincial Service in Mandarin 1030 GMT 23 Mar 83

[Text] In order to carry out the tasks entrusted by the party and the people and to strive to create a new situation for socialist modernization in Zhejiang Province, the provincial CPC Committee recently held a Standing Committee meeting to formulate a six-point code of conduct for leading cadres of the provincial party committee and People's Government, which has been published and issued to all the province's party committees at and above the county level for implementation under the supervision of party organizations at all levels.

The six-point code of conduct includes: conscientiously study Marxism-Leninism-Mao Zedong Thought; study scientific and general knowledge; uphold democratic centralism; and other points. It also contains important stipulations on improving the party's style and establishing ties with the masses, such as: attach importance to investigation and study; be realistic in doing everything; spend at least 2 months a year at grassroots units; do not report the activities of responsible comrades of the provincial party committee and the people's Government unless they are activities connected with important occasions or meetings or with foreign affairs; the party committee secretaries and the governor generally will not attend or speak at professional meetings of provincial level departments; strictly observe relevant regulations governing life styles; be simple and unadorned when going out of town or visiting grassroots units and do away with welcomes and send-offs; meals taken outside should be simple, and money or food coupons must be paid according to rules; no native or special local products or other gifts should be accepted; instruct family members and relatives to observe discipline and abide by the law; personally draw up speech outlines for ordinary meetings; give personal instructions on the drafting of important documents and set forth the basic ideas of the documents, including the main viewpoints, opinions and measures to be taken.

BRIEFS

JIANGSU GRAND CANAL LOCK -- Nanjing, 19 Mar (XINHUA) -- Construction of another ship lock has started on the Huaian section of China's Grand Canal, Jiangsu Province. It is located side by side with an existing ship lock at Huaian. After completion of the project, the two locks will be able to handle two shipping fleets simultaneously, one going southward and another going northward. Each of the ship locks will allow the passage of a fleet of tug boats and barges with a capacity of 2,000 tons. The flow of the locks will be increased from 50 cubic meters per second to 80 meters. A plan is being worked out to deepen and widen the Grand Canal. In some sections work has already begun. In addition to navigation, the canal will be used to divert water from the Yangtze River to help relieve water shortages on the vast plains to the north. [Text] [Beijing XINHUA in English 0809 GMT 19 Mar 83 OW]

JIANGXI SATELLITE GROUND STATION -- Jiangxi's first set of earth satellite receiving equipment was put into operation recently. It is to receive meteorological information from the Japanese GMS-2 earth satellite. The installation of this set of equipment will help the province's weathermen report and forecast the weather, especially the position and movement of typhoons, more accurately than before. [Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 16 Mar 83 OW]

HENAN CPC COMMITTEE FORMS NEW LEADING BODY

OW241249 Beijing XINHUA Domestic Service in Chinese 1142 GMT 24 Mar 83

[By reporter Yang Yusheng]

[Text] Zhengzhou, 24 Mar (XINHUA) -- With the approval of the CPC Central Committee, a new leading body of the Henan Provincial CPC Committee has been formed. Liu Jie is first secretary [di yi shu ji], and Liu Zhengwei [0491 2973 1218], Yu Mingtao [0060 2494 3447], He Zhukang and Luo Gan are secretaries [shu ji]. Members of the Standing Committee of the provincial party committee also include Hou Zhiying [0186 1807 5391], Zhao Di [6392 0966] (female), Zhang Chixia [1728 0375 0204], Guo Tan [6753 0982], Song Yuxi and Zhao Zhengfu [6392 2973 1133].

This new leading body was selected through democratic recommendations and strict organizational observations, and it embodies the principles of succession of the new to the old and of overall consideration and all-round arrangement. It differs markedly from the past in numbers and ages of members and their educational composition. The Standing Committee of the provincial party committee formerly had 17 members; it has 11 members now. The Standing Committee members' average age has dropped from 63.3 to 56.1 at present. Members with a college-level education have increased from two in the past to four now. Of the five secretaries, three are relatively young and the youngest is 47 years old. Of the six newly selected secretaries and Standing Committee members, four are college graduates and have held professional or technical positions. Secretary He Zhukang graduated from the Chinese People's University and Moscow Economics College, is an alternate member of the CPC Central Committee and was formerly vice governor and concurrently chairman of the provincial Planning Commission. Secretary Luo Gan studied abroad at Leipzig University, understands German, English and French, is an alternate member of the CPC Central Committee and was formerly vice governor and concurrently chairman of the provincial Scientific and Technological Commission. Standing Committee member Huo Zhiyang was formerly deputy secretary of the Henan Normal University party committee. Standing Committee member Zhao Di, 44, was formerly vice mayor of Kaifeng City.

HENAN GOVERNMENT MEETS TO EXAMINE YEAR'S TASKS

HK240325 Zhengzhou Henan Provincial Service in Mandarin 1100 GMT 23 Mar 83

[Excerpts] The Henan Provincial Government held the first meeting yesterday afternoon since the structural reform and readjustment of leadership groups in provincial organs. Vice Governor Yue Xiaoxia presided. Acting Governor He Zhukang stressed in a speech: This year the provincial government must concentrate on tackling four matters:

1. Do a good job in structural reform. According to the central arrangements, this year we must complete structural reform in the province and the prefectures and cities and start reform in the counties and communes. Through carrying out reforms, we should streamline the organs and improve their work efficiency. This is a key measure for meeting the requirements of developments, and we must try hard to make a success of it.

2. While continuing to get a good grasp of agriculture, strive to open up a new situation in industry and communications work. Ensuring all-round growth in the province's agricultural production is the primary task in the province's economic construction. All sectors, trades and departments must be concerned for and support agriculture. To run agriculture well we should rely mainly on seriously implementing the Central Committee's Document No 1. At present we should focus on making good arrangements for daily life and production for the masses in disaster areas.

While working hard to fight drought and reap a bumper harvest, we should pay attention to guarding against floods and ensure safety along the Huang, Huai and other main rivers during the flood season. We should be properly prepared for all eventualities so as to prevent disasters.

With regard to industry, this year the province must focus on consolidation and readjustment of the enterprises, economic management systems, and technical transformation, which are cardinal links. In particular we must get a good grasp of 76 key enterprises and ensure a marked improvement in economic results.

3. Strengthen work in the circulation field, further relax the policies and enliven circulation.

4. Speed up the training of the talented people and ensure rational employment of specialists.

Comrade He Zhukang said: Objective conditions for developing the economy in Henan are relatively good. However, our current economic level is rather low. The main reason for this is that our science and culture standards are low, we lack specialist talent, and employment of existing talent is not rational enough. To solve this problem we must first eliminate the influence of leftist thinking, fully implement policies on intellectuals and bring into full play the role of existing talent. Second, proceeding from the actual conditions in Henan, we must emancipate our minds, be bold in innovation and adopt resolute and practical steps to speed up training. We should produce still more qualified and talented people.

Comrade He Zhukang said: Apart from these four matters, we must also carry out many other important tasks. For instance, family planning, the building of spiritual civilization and so on. We must grasp these well and produce good results.

Provincial CPC Committee Secretary Yu Mingtao and Vice Governor Yue Xiaoxia also spoke at the meeting. Vice Governor (Ji Hanxin) attended.

CHANGSHA CITY FORMS NEW CPC LEADERSHIP GROUP

HK250139 Changsha Hunan Provincial Service in Mandarin 2310 GMT 24 Mar 83

[Text] With the approval of the central and provincial CPC Committees, the Changsha City CPC Committee has formed a new leadership group. The new Standing Committee has nine members. (Zhou Naishan) is secretary [shu ji] of the city CPC Committee, (Xu Zhenying) is second secretary [dier shu ji], and (Lu Haifan), (Wang Kedian) and (Zhu Shanghong) are deputy secretaries [fu shu ji].

The new leadership group of the city CPC Committee accords with the principle of revolutionization, younger age, better education and more specialization. It was elected during the structural reform after 828 responsible cadres of party and government organs, factories, mines and other enterprises and schools and some representatives of science and technology personnel had been organized to hold 2 secret ballots to recommend candidates, and after repeated discussion, investigation, comparison, and all-round judgment. Three of the five secretaries have university education. The nine Standing Committee members include a deputy professor, a lecturer and an engineer. All four new Standing Committee members and over half the Standing Committee members have university education. The average age has also declined. Over half the Standing Committee are around or under 50, and 2 of its members are 45.

CHI BIQING AT GUIZHOU RETIREMENT AWARDS RALLY

HK240201 Guiyang Guizhou Provincial Service in Mandarin 1100 GMT 21 Mar 83

[Summary] On the afternoon of 21 March, Guizhou provincial subordinate organs held a rally in the hall of the provincial People's Government to award honorable retirement certificates to old retired cadres. Attending were representatives of old retired cadres and responsible persons and work personnel of all departments, offices, committees and bureaus of organs at the provincial level and other departments, totaling some 1,200 people. Responsible comrades of the provincial CPC Committee, the provincial People's Congress Standing Committee, the provincial People's Government and the provincial CPPCC Committee, including Chi Biqing, (Zhu Houde), Su Gang, Wang Chaowen, Xu Jiansheng, Wu Shi, Miao Chunting, Li Tinggui, (Zhao Guomang), Jin Feng, (He Shu) and Zhang Yuhuan, also attended the rally.

(Zhu Houde), secretary of the provincial CPC Committee, announced the opening of the rally at 1430.

On behalf of the provincial CPC Committee and the provincial People's Government, Su Gang delivered a speech. He praised old cadres' everlasting historical merits and new contributions toward succession of young to old cadres and cooperation between the young and the old. In conclusion he emphatically said: "We must show great concern for the treatment of old comrades in politics and livelihood after their retirement. We must do well in resettling and taking care of retired old cadres and create conditions so that they can do what they can."

Amid applause, 134 retired old cadres of provincial subordinate organs went up to the rostrum. Entrusted by the State Council, responsible comrades of the provincial CPC Committee and the provincial People's Government awarded PRC honorable old cadre retirement certificates to them. Immediately afterwards, (Mao Jiaping), a representative of retired old cadres and (Li Xianbi), a representative of young cadres, spoke.

XIZANG LEADER ON EDUCATION FOR PARTY MEMBERS

HK250424 Lhasa Xizang Regional Service in Mandarin 1130 GMT 24 Mar 83

[Excerpt] Comrade Song Ziyuan pointed out at the regional discipline inspection work conference on 23 March: To correct party work style as quickly as possible, it is necessary to step up education for party members and strictly enforce party discipline.

Comrade Song Ziyuan said: A considerable proportion of party members in Xizang joined the party since the beginning of the Great Cultural Revolution. The great majority of these comrades lack education in knowledge of the party and do not understand the awareness and work style a party member should have. Some people have joined the party organizationally but have not yet truly done so ideologically. We must conduct education in basic knowledge about the party and in party spirit, discipline and work style for these comrades. We must make use of good and bad typical examples to conduct vivid education for them in both positive and negative aspects, so that they will spontaneously work and fight to preserve the party's reputation and interests and be Communist Party members worthy of the same.

Comrade Song Ziyuan said: To bring about a fundamental turn for the better in party work style, we not only need persistently to conduct education in Marxism-Leninism-Mao Zedong Thought for the party members; we must also uphold the principle that everyone is equal in the face of party discipline. No person, no matter how high his post or qualifications, can be indulged and connived at if he violates party discipline. We must deal severely with those who violate law and discipline and refuse to mend their ways despite repeated education, in order to ensure a correct understanding of the facts and educate the whole party.

XIZANG CITES, REWARDS LOCAL HANDICRAFTSMEN

OW231413 Beijing XINHUA in English 1215 GMT 23 Mar 83

[Text] Lhasa, March 23 (XINHUA) -- Zhaxi Cering, former shoemaker of the Dalai Lama and other government officials of the old Tibetan government has been cited and rewarded by the regional government for helping the development of his craft.

When the man, now in his 60's, received a certificate of merit and prize of a radio and flask at a meeting last week, he had difficulty in holding back his tears. Two dozen years ago, he said, he worked for court and other high-ranking officials as a down-trodden craftsman. Since 1959, the citation said, the experienced man has trained more than 20 apprentices and expended considerable effort reviving the production of jiaqin, traditional shoes embroidered with gold silk. At present, his factory can manufacture more than 150 varieties of traditional Tibetan shoes and leather products.

Makang Tubdain, an individual craftsman, is another worker rewarded at the ceremony. Well-known for his skill in weaving woolen cushions and mattresses with simple designs, the elderly craftsman's products have been warmly received by consumers. To meet the needs of customers, last year he began to pass along his technique to four apprentices. Now people cannot tell the work of his apprentices from that of the master.

The traditional handicraft of Tibet has a lengthy history and enjoys a high reputation in other parts of China and on the international market. To stimulate handicraft production, the local government has in recent years encouraged all craftsmen to pass along their skills to young people and study new products. By the end of last year, the region's total output of state and collective-run handicraft producers reached 15 million yuan, compared with 4.5 million yuan in 1979. The varieties have increased to more than 1,130.

During the awards meeting, Qamco, vice-chairman of the regional People's Government, expressed the hope that all craft workers of the region will continue their efforts and make greater contributions to the region's production of national products, as well as to the unity, prosperity and civilization of Tibet.

BRIEFS

XIZANG CAVE COLD STORAGE -- Lhasa, 18 Mar (XINHUA) -- A cold storage facility built in a cave -- the first of its kind in the Tibetan countryside -- was recently completed in Xigaze County, according to the commercial department of the Tibetan Autonomous Region. The new facility has a capacity of 600 tons, with a temperature ranging from 3 degrees below zero centigrade to 3 degrees centigrade. The absence of cold storage in the Tibetan countryside in the past made it difficult to preserve beef, mutton and butter -- indispensable foodstuffs for residents of the autonomous region. Since great attention has been focused on solving the problem, many places have planned to build cold storages. Among them, two are scheduled to be completed this year. [Text] [Beijing XINHUA in English 0225 GMT 18 Mar 83 OW]

BEIJING PEOPLE'S CONGRESS SESSION CONTINUES

Elects NPC Deputies

OW250406 Beijing XINHUA Domestic Service in Chinese 1409 GMT 24 Mar 83

[By XINHUA reporters Xu Guangyao and An Zhonghuang]

[Text] Beijing, 24 (XINHUA) -- On 23 March, the first session of the Eighth Beijing Municipal People's Congress elected 70 deputies of Beijing Municipality to the Sixth NPC by way of secret ballots and differential election [an election in which the number of candidates is larger than the number of deputies to be elected]. The election results were announced at today's session.

Party and state leaders Hu Yaobang, Zhao Ziyang, Peng Zhen and Ni Zhifu were among the deputies elected.

Among the deputies are prestigious intellectuals like Lin Lanying [2651 5695 5391], deputy director and research fellow of the Chinese Academy of Sciences Semiconductor Research Institute; Zhu Jue [2612 6030], vice president and professor of Beijing College of Iron and Steel; Zhu Dexi [2612 1795 3556], deputy dean and professor of Beijing University's Department of Chinese Language; Yan Renying [0917 0088 5391] president of No 1 Affiliated Hospital of Beijing Medical College and dean of the Department of Therapeutics of the college; and Zhu Futang [6175 4395 2768], honorary president of Beijing Children's Hospital.

Among the deputies are national and Beijing municipal model workers like Zhang Binggui [1728 4426 6311], special-class salesclerk of the food department of the Beijing Department Store; Chen Lunfen [7115 0243 5358], shift supervisor of the state-run Beijing No 3 Radio Equipment Plant; Duan Baocheng [3008 1405 2052], deputy secretary of the party branch and manager of Xinfeng Restaurant in Xicheng District; and Xu Qingwen [1776 1987 2429], secretary of the party branch of the Nanhanji brigade, Zhoukoudian commune, Fangshan County.

Other deputies are Zhang Guoji [1728 0948 1015], curator of the Beijing Research Institute of Culture and History, who was a member of the Xinmin Society many years ago and who took part in the Nanchang Uprising, assuming the post of commander of the central independent division; Zhou Guanwu [0719 0385 0063], secretary of the party committee of the Shoudu Iron and Steel Company that has received the national award for outstanding performance in enterprise management; Hou Baolin [0186 1405 2651], professor emeritus of Beijing University's Language Department and artistic instructor of the Central Broadcasting Art Troupe; Song Shixiong [1345 0013 7160], sports announcer of the Central People's Broadcasting Station; Yang Mo [2799 3106], famous writer and chairman of the Beijing Municipal Federation of Literary and Art Circles; Zhao Yanxia [6392 3601 0204], famous Beijing Opera performer and head of No 1 Troupe of the Beijing Opera Theatrical Company of Beijing; and Zhao Bingnan [6392 3521 0589], famous physician of Chinese medicine and director of the Beijing Research Institute of Chinese Medicine.

Beijing municipal leading cadres Duan Junyi, Chen Xitong and Bai Jiefu have also been elected deputies to the Sixth NPC.

Passes Constitution Resolution

OW242356 Beijing XINHUA Domestic Service in Chinese 1135 GMT 24 Mar 83

[By reporter Xu Guangyao]

[Text] Beijing, 24 (XINHUA) -- Wen Jiasi, Lei Jieqiong, Hou Renzhi, Cai Xu and 23 other deputies attending the first session of the Eighth Beijing Municipal People's Congress put forward a "Proposal To Profoundly Study the New Constitution and To Ensure Its Implementation."

Attaching importance to this proposal, the session this morning adopted a resolution calling for state organs, party and government organizations, mass organizations, enterprises and institutions throughout the municipality to take necessary measures to ensure that everyone studies, grasps, abides by and implements the new Constitution.

The resolution adopted by the session points out: On the basis of studying and publicizing the new Constitution in the preceding period, and in light of their respective conditions and tasks, all trade, professions, departments and units throughout the municipality should regularly and persistently organize cadres and masses to study the new Constitution. They must see to it that broad masses can grasp and apply the new Constitution so that it will become a sharp weapon in protecting the rights and interests of the state and the people and ensuring the smooth development of various construction projects. State organs at various levels throughout the municipality -- especially public security and procuratorial organs, courts and other law enforcement organs -- must act strictly according to law and effectively ensure enforcement of the construction and laws. Leading cadres at various levels must set an example and take the lead in studying and publicizing the new Constitution and be models in abiding by it. The Standing Committee of the municipal People's Congress must perform its sacred duty in ensuring that the Constitution is observed and enforced throughout the municipality. Once violations of the construction and law are discovered, it must take effective measures to redress them in good time.

Hears Financial Report

HK250543 Beijing BEIJING RIBAO in Chinese 18 Mar 83 p 1

[Report: "First Session of Eighth Beijing Municipal People's Congress Holds Second Meeting"]

[Text] Yesterday afternoon, the first session of the Eighth Municipal People's Congress held its second meeting in the Great Hall of the People. The meeting was presided over by Hou Jingru, an executive chairman of the presidium. Other people sitting in the front row on the presidium platform were executive chairmen Jia Tingsan, Yang Chunmao and Fan Jin.

At the meeting Beijing Municipal Financial Bureau Chief Zhen Shude, entrusted by the municipal People's Government, delivered a report on the 1982 municipal government's final accounts and the 1983 financial budget. The meeting also deliberated and unanimously approved "the election method for the first session of the Eighth Beijing Municipal People's Congress."

In his report, Zhen Shude said: The situation in regard to implementing the 1982 municipal financial budget is basically good. Originally the 1982 total municipal budgetary financial income approved by the sixth session of the seventh municipal People's Congress was 4.7 billion yuan. In the course of implementing the budget, because the state adopted some new policies and measures, such as reducing prices of some products, raising interest rates of bank loans and increasing financial subsidies, the municipal financial income was affected and was reduced to a certain degree. In order to assess the situation in implementing the budget according to actual conditions, with the approval of the State Council and the Standing Committee of the municipal People's Congress, the 1982 budgetary financial income was adjusted to 4.6 billion yuan. As a result of implementing the budget, the actual municipal financial income in 1982 amounted to 4,714,600,000 yuan, fulfilling the adjusted budgetary target by 102.5 percent.

According to the calculation on a comparable basis, the 1982 financial income was 5.7 percent higher than that in the previous year. This is in keeping with the growth of production. The 1982 financial expenditure in the budget approved by the municipal People's Congress was 1,518,541,000 yuan. In the course of implementing the budget, the state increased appropriations to us on a few occasions. With the approval of the State Council and the Standing Committee of the municipal People's Congress, the budgetary expenditure was adjusted to 2,255,175,000 yuan. The 1982 actual expenditure was 1,666,680,000 yuan, or just amounting to 73.9 percent of the adjusted budgetary target. The reason for the slow fulfillment of the budgetary expenditure target is mainly that some capital construction projects are carried over to the next year, so many expenditure items for these projects can be decided only in the second half, in the fourth quarter, or even later. Therefore the budgetary funds cannot be used up within the year the budget covers. According to the stipulations, the money can be transferred to the 1983 fiscal year.

Zhen Shude said: The draft of the 1983 financial budget is worked out according to the great strategic objective and the general principle for economic construction laid down by the 12th party congress, according to the four-point instruction of the CPC Central Secretariat on the development of the capital, and according to various plans for the national economic and social development in this municipality. The draft of the 1983 financial budget adheres to the principle of readjustment, restructuring, reorganization and upgrading. In this budget the financial income is increased on the basis of promoting production and improving economic results; various expenditures are arranged according to necessity and possibility and according to the principle of acting on the basis of one's capability. Stress is placed on supporting the development of educational, scientific, cultural and public health undertakings and on improvement of the people's livelihood. The budgetary financial income is 4.72 billion yuan and remains at the same level as last year. The budgetary expenditure is 2,218,503,000 yuan, growing by 33.1 percent over last year's actual expenditure.

In conclusion Zhen Shude said: In order to ensure fulfillment of the 1983 financial budget, we must follow the correct principles laid down by the party central leadership and resolutely carry out reform in an orderly way. It is necessary actively to reform financial, taxation and enterprise financial institutions. The focus of financial and economic work should be improvement of economic results. Enterprises running at a loss must be urged to stop losses as soon as possible. Subsidies in various forms must be strictly controlled. Budgetary management must be strengthened and expenditure must be under strict control so as to achieve better results in utilizing funds. Management over financial affairs and taxation should also be strengthened and financial and economic discipline must be strictly enforced.

All municipal CPPCC members also attended yesterday's meeting as observers.

HEBEI PEOPLE'S CONGRESS COMMITTEE SESSION CLOSES

HK241222 Shijiazhuang HEBEI RIBAO in Chinese 13 Mar p 1

[Report: "19th Session of the Standing Committee of 5th Hebei Provincial People's Congress Closes"]

[Text] The 4-day-long 19th session of the Standing Committee of the 5th provincial People's Congress concluded on the afternoon of 11 March.

At the session Ge Qi, vice chairman of the congress Standing Committee, convened the spirit of the 26th session of the 5th NPC Standing Committee. Committee members also discussed Vice Chairman Huang Hua's explanation on the establishment of the Credentials Committee and the opening date of the first session of the sixth provincial People's Congress.

They listened to provincial Vice Governor Wang Dongning's report on the reform of the provincial governmental organs, provincial Agricultural Commission Deputy Director Gao Jiao's report on the situation and opinions concerning the establishment and improvement of the responsibility system of linking payment to output in rural areas and provincial Educational Bureau Deputy Chief Shi Pu's report on the situation in secondary and elementary school education. Committee members deliberated on these reports and pointed out that the reform of provincial government organs must be resolutely carried out according to plans and requirements set forth by central authorities. They held that implementation of the contract responsibility system in the countryside is a strategic reform and creation in the building of the Chinese-style socialist agriculture. This system is completely in conformity with the present developmental level of agricultural productive forces in our country, has been enthusiastically accepted by the vast numbers of peasants and has brought about marked results. It is necessary to strengthen leadership, sum up experience and continuously improve this system. Many committee members pointed out that though great achievements have been made in the reform of secondary and elementary school education in our province, at present, difficulties in this field are still great. Governments at all levels must resolutely follow relevant policies set forth by central authorities and promote work in this field to a better degree. Incidents of teachers being beaten in some places must be seriously dealt with.

At the plenary meeting on the afternoon of 11 March, committee members deliberated and approved the decision on establishing a Credentials Committee and some personnel appointment decisions.

Niu Shucui, acting chairman of the Standing Committee of the provincial People's Congress; and Wu Qingcheng, Be Qi, Pan Chengxiao, vice chairman of the committee; presided over the session on separate occasions. Responsible comrades of the provincial government, the provincial People's Procuratorate, and the provincial Supreme People's Court also attended the session as observers.

In order properly to handle the credentials examination work for the sixth provincial People's Congress, it has been decided to establish a Credentials Committee subordinate to the Fifth Hebei Provincial People's Congress Standing Committee. The Credentials Committee includes the following members:

Chairman: Ge Qi

Vice chairman: Pan Chengxiao

Members (arranged in order of strokes): Wang Yon, Bai Tieshi, Wu Qixiu, Tong Yinkang, Meng Zhongyun, Guo Linzhi, Qin Guang, Du Benjie and Wu Tianzhe.

BRIEFS

BEIJING HOTEL, METEOROLOGICAL CENTER -- Beijing, 24 Mar (XINHUA) -- Construction of another big tourist motel, Zhaolong (Sui Loong) Hotel, has started on the eastern side of the Chinese capital near the Workers' Stadium. Sponsored by the National Tourism Administration, the hotel is a 72.7-meter high, 22-story, 3-sided building with 270 suites of rooms, with a total floor space of 25,000 square meters. The hotel will have a Chinese food dining hall and a Western food dining hall, a swimming pool and all the necessary up-to-date equipment. Groundbreaking for a satellite meteorological center for the State Meteorological Bureau took place recently. Designed by the Ministry of Astronautics, the project consists of the main office building, computer rooms, a hall for academic activities and refrigerator rooms. Upon completion, the center will gather and process various kinds of information sent back by the weather satellite and provide processed data to various departments and scientific research institutions. [Beijing XINHUA in English 0721 GMT 24 Mar 83 OW]

HEILONGJIANG RIBAO ON CADRES' ROLE IN REFORM

SK250506 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 24 Mar 83

[Text] HEILONGJIANG RIBAO on 25 March frontpaged a commentator's article entitled "Fulfill One's Duties and Responsibilities in the Institutional Reform."

The article says: Some comrades have had their posts changed in the reform. This requires that these comrades adopt a correct attitude toward their work changes. In the course of institutional reform, party members and cadres, instead of haggling over personal gains and losses, should bear the party's interests in mind, vigorously plunge into the reform and be promoters of it. No matter how their duties and work are changed, they should always serve the needs of their work and follow organizational arrangements. When a unit is to be disbanded or merged with others, or when a leading body is to be adjusted, they should still continue to perform their duties. Even when they are likely to retreat to the second or the third line or to attend rotational training or study classes, they should still work hard until the last minute. They should never, because of work changes, slacken their efforts or even give up working. It is neither justifiable nor permissible to take the opportunity to occupy office buildings, to enlarge their own houses, or privately divide public property in a disguised manner. In the reform the attitude of veteran comrades plays a decisive role. Attaching importance to the party's long-term interests, veteran comrades who should retreat should happily do so. This is a lofty realm of thought. It is a still loftier realm to successfully pass on their experiences, give help and set an example after they retreat. Just as generating power with exhaust heat, it is better for veteran comrades to contribute and utilize the electricity they produce in this work.

JILIN'S QIANG XIAOCHU REPORTS TO PARTY CONGRESS

SK250552 Changchun Jilin Provincial Service in Mandarin 1100 GMT 24 Mar 83

[Text] In his report delivered at the fourth provincial party congress, Comrade Qiang Xiaochu pointed out: The 3d Plenary Session of the 11th CPC Central Committee was a great turning point. Our efforts to review the work done in the past and to sum up our experience and lessons are aimed at achieving greater progress in various fields across the province.

He stated: Since the 3d Plenary Session of the 11th CPC Central Committee, we have scored marked achievements in implementing the party's line, principles and policies. We have reaped bumper agricultural harvests in consecutive years and have scored fairly rapid development in forestry, animal husbandry, sideline occupations, fishery and domestic sideline production. In industry, we have scored marked achievements in enlivening the economy, reforming systems and conducting enterprise readjustment and consolidation. We have conducted systematic reforms in commerce. As a result we have achieved a turn for the better in the financial field. The people's income has increased year after year and their livelihood has been fairly improved.

He stated: In reviewing the work done in the past, particularly in the period since the 3d Plenary Session of the 11th CPC Central Committee, we have fully recognized that earnest efforts should be made to draw a lesson from the experience gained in the following aspects:

1. It is necessary to uphold the ideological line of Marxism and consciously act in unison with the CPC Central Committee politically. Since the 3d Plenary Session of the 11th CPC Central Committee, our party has newly established an ideological line of Marxism, which is a sign that the party has realized an historical change and is also an ideological foundation of the party in setting forth the political line and other principles and policies. The ideological line of Marxism also is a premise for us to accurately understand and implement the party's line, principles and policies.

In order to enable our thinking to be further in conformity with the actual situation and our subjective viewpoint to be further in conformity with the objective viewpoint and to enable us to consciously and accurately implement the party's principles and policies, we must sum up in a manner of seeking truth from facts, historic lessons and experience according to the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" and the guiding ideology set forth by the CPC Central Committee in regard to the drive for reform. We must thoroughly emancipate ourselves from the leftist or habitual influence and from out-of-date regulations and rules so as to closely follow the CPC Central Committee in catching up with the new situation and in opening new paths in order to make progress.

2. In proceeding from the actual situation, it is necessary to master and apply the law of economic construction, which is steering the program of achieving the four modernizations. This is the important experience gained by our province in being free from suffering setbacks and in totally or partly avoiding detours in order to achieve sound development in economic construction. We must be armed as soon as possible with modern scientific knowledge so that we can become experts who know politics well and are full of knowledge and able to take up managerial work. We must go deep into reality to conduct investigations and study so as to clearly discern the situation prevailing in the province and to be able to do things according to objective law while continuously making further exploration. Efforts should be made to overcome blindness in action and upgrade consciousness so as to open a path with the province's characteristics in economic construction.

3. It is necessary to uphold the mass line and respect the pioneering spirit of the masses. In following the mass line, the fundamental line raised by our party, leading personnel at all levels must keep close contact with the practice of the masses. They should be good at soliciting the mass's good opinions and collecting their model experience in a timely manner; then, they should vigorously sum up the masses' good opinions and experience and work to disseminate them widely among the masses. As for new experience gained by the masses, which has been proved favorable, it is necessary to resolutely affirm it and widely popularize it. As for those that cannot be proved favorable for the time being, it is necessary to allow the masses to conduct more experiments rather than to impose restriction on them arbitrarily. As for incorrect ways to do things among the masses, it is also necessary to give guidance to them and adopt adequate measures to push them to transform themselves into a positive status.

In concluding his report, Comrade Qiang Xiaochu pointed out: Under the guide of the spirit of the 12th CPC Congress, we should exert all-out efforts to build Jilin Province by the end of this century into an agricultural zone that is one of China's grain bases, that undergoes all-round development in agriculture, forestry, animal husbandry, sideline occupations and fishery, that conducts comprehensive management among agriculture, industry and commerce and that has fairly high commodity productivity. We should build Jilin Province into an industrial zone that has superiority in natural resources and in the technical foundation of chemical and machine-building industries, that achieves relatively balanced development between light and heavy industries and that can reach the national technical advanced standards in industrial production. We should also build Jilin into a province that has relatively high standards of science and technology in the country, that is prosperous in cultural and education undertakings; that has stable social order, good social morale and lofty morality; where unity prevails among various nationalities; that has a strong border defense; and in which the people live and work in peace and contentment, and both urban and rural areas are thriving and prosperous.

LI DESHENG SPEAKS AT LIAONING RALLY OF ADVANCED

SK240232 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 23 Mar 83

[Text] At the 22 March rally of representatives of advanced collectives and advanced individuals of the units directly under the Northeast Power Administrative Bureau Li Desheng, member of the Political Bureau of the CPC Central Committee and leader of the northeast power grid leading group, said that in the future, efforts should be made to improve centralized, unified management of the power grid and, under this condition, promote the economic responsibility system focusing on contracts.

At Dalian, Shenyang and 10 other units, last year, the Northeast Power Administrative Bureau tried out the system of enterprise independent accounting under the unified accounting of the entire power grid through the method of fixing profit quotas and evaluating the fulfillment of the quotas. Remarkable results were achieved. These 12 units increased profits by 23.83 million yuan over the year before while generating and supplying basically the same amount of electricity.

Comrade Li Desheng affirmed this experience and suggested that it be published throughout the bureau. Comrade Li Desheng said: In the power industry, negative factors that fetter the development of the productive forces still exist in both the organizational management system and technology, production and equipment. Therefore, we should affect overall systematic reforms in a resolute and orderly manner. Model workers and advanced persons should play their role as exemplars, stand in the van of the reforms and be vanguards, solid workers and promoters of reforms.

GUO FENG INSPECTS LIAONING CIVILITY ACTIVITIES

SK250211 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 24 Mar 83

[Excerpts] From 21 to 24 March, principal leading comrades of the newly organized provincial CPC Committee and leading comrades of the provincial People's Congress and Government went to Shenyang, Dalian, Anshan, Fushun, Benxi and Liaoyang Cities to inspect the All-People Civility and Courtesy Month activities in towns and the countryside. They included Guo Feng, Dai Suli, Li Tao, Li Tieying, Shen Xianhui, Wang Kuncheng, Zhang Qingtai, Liu Wen and Zhang Zhiyuan. The situation of our province's All-People Civility and Courtesy Month activities is very good this year. Compared with last year, the scale is larger and results are better. Participating in the activities, the masses of cadres and people have enhanced their confidence in bringing about a fundamental turn for the better in social conduct.

Today Guo Feng, first secretary of the provincial party committee, inspected the units participating in the provincial three-good-street emulation drive. At the (Qingyuanchun) food store, Comrades Guo Feng and Li Tao asked the salesclerks about their work and encouraged them to cherish deep love for commercial service work, study knowledge on commodities and master their skills to serve the people. Dai Suli, secretary of the provincial party committee, went to Liaozhong County today to inspect the construction of civility villages and visit commune members.

FOREIGN MINISTER AFFIRMS ANTICOMMUNIST POLICY

OW250349 Taipei CNA in English 0238 GMT 25 Mar 83

[Text] Taipei, March 24 (CNA) -- Foreign Minister Chu Fu-sung said Thursday the basic foreign policy of the Republic of China is based on anticommunism and that its firm stand against coming to terms with the Soviet Union and the Peking regime can never be changed.

Speaking at the Foreign Affairs Committee of the Legislative Yuan, Chu pointed out that after the Second World War, the Soviet Union had given all-out support to Red China's rebellion against the central government. During the past 30 years, Russia has never supported the Republic of China on the question involving Communist China. Furthermore, the Soviet Union has always backed Communist China and even attempted to deal this nation a blow because both Moscow and Peiping are communist regimes, Chu said.

Turning to the Sino-U.S. relations, he said the government is currently working on the further strengthening of liaison with the U.S. Congress through related personnel in America. He said that the recent visit by former U.S. Senator George McGovern has cleared away some of the misunderstanding existed in some people there.

Chu then stressed the importance of creating a good image for the nation in the international arena, saying that one of the ways to do it is to promote exchange of visits between this nation and other friendly countries.

As to the united front tricks launched by Communist China, Chu said that recently the Peiping regime has sent out various groups and personnel including journalists and trade representatives to visit Latin America and Africa, trying to divide the relations between the Republic of China and other countries. "We are well-prepared for this sort of thing and we will take effective measures to counter these Red tricks," Chu said.

TAIWAN, SOLOMONS ESTABLISH DIPLOMATIC RELATIONS

OW250341 Taipei CNA in English 0324 GMT 25 Mar 83

[Text] Taipei, March 25 (CNA) -- The Ministry of Foreign Affairs of the Republic of China announced at 9:30 am on March 25, 1983 that the Republic of China and Solomon Islands had agreed to establish diplomatic relations as from March 24, 1983.

Premier Sun Yun-hsuan of the Republic of China and Prime Minister Solomon Mamaloni of Solomon Islands signed, on behalf of the Government of the Republic of China and the Government of Solomon Islands respectively, the joint communique at Taipei guest house at 6:30 pm on March 24, 1983. The excerpts of the communique follow:

The Government of the Republic of China and the Government of Solomon Islands...have agreed to establish diplomatic relations, in the first instance, at consular level as from March 24, 1983.

The two governments agree to develop friendly relations and mutual cooperation between the two countries for the expressed purpose of enhancing mutual benefit from each other in the fields of trade and investment, technical know-how and cultural exchange.

The two governments further agree to mutually provide assistance for the performance of the functions of representatives on the basis of equality and mutual benefit, in accordance with international practice.

DEFENSE MINISTER DEFENDS HIGH MILITARY OUTLAYS

OW231339 Taipei CNA in English 0932 GMT 23 Mar 83

[Text] Taipei, March 23 (CNA) -- Defense Minister Sung Chang-chih stressed Tuesday it is necessary for the government to devote much money to national defense in its budget under the current special situation. The budget for national defense has been maintained at about 50 percent of the central government's fiscal year budget during the past several years. Averaging 8.5 to 9 percent of the gross national product, this nation's defense spending is not the highest among the countries of the world, the minister said at the Legislative Yuan.

As the Chinese Communists have never stopped plotting to take Taiwan by force, the national defense power should be bolstered to meet any challenge from the enemy. This, he stated, will safeguard national security and the survival of the people. A strong military force will assure further development in other necessary things here and help the national power to grow, he stressed.

Of all nations, Israel gives the highest proportion of its fiscal budget to national defense, reaching between 22 and 30 percent of its GNP annually. The Peiping regime and the Soviet Union also often keep their military budgets above 10 percent of their yearly GNP, the minister pointed out.

COMMUNIST DEFECTOR HOLDS NEWS CONFERENCE

OW250251 Taipei CNA in English 0244 GMT 25 Mar 83

[Text] Taipei, March 24 (CNA) -- In cultural or spiritual areas, communist society is the most backward, famed writer Pu Nai-fu said Thursday. Nai-fu returned here Tuesday from Hong Kong for settlement before his three-month permit to stay there expired. He left the Chinese mainland last December.

Only the free world, especially that in the Republic of China, is really a new society, he said, meeting reporters here at a news conference at the Free China Relief Association (FCRA) headquarters in the morning.

Accompanied by his younger brothers Pu Shao-fu and Pu Yu-fu, the writer called on Dr Ku Cheng-kang, president of the FCRA, and later attended the news conference. Dr Ku extended his most hearty welcome to Nai-fu for his return to the mother country. He urged the writer to do his best in dedicating himself to the accomplishment of the national recovery mission.

To reporters here, Nai-fu reported the hard journey to return to Taiwan. He denounced communism as the chief cause of massive suffering for the Chinese people. He said his words reflect the desire for freedom of all mainland compatriots.

Many communists have awakened and realized the real nature of Marxism and Mao Tse-tung's thoughts. They will never believe in them again. If the Peiping authorities were to open the mainland door, the majority of communists, especially the young, would run to the free world, Nai-fu assured.

He said he has longed for many years to return to free China, his real mother country. In the 1970's, he often privately listened to radio broadcasts from Taiwan and learned that people here were enjoying a free and prosperous life. Progress in economic maturation and political development in the Republic of China has seen much change for the better during the past decades, he said.

He stressed that annual exports from Taiwan and the Chinese mainland fully explain the failure of the socialist economic system. Taiwan, an island with an area of 3,600 square miles and a population of 18 million, is exporting U.S. \$30 billion worth of goods a year, while the mainland, with a vastly larger land area and a mammoth population, sells about the same volume in exports abroad annually, he pointed out.

The freedom of speech, public meetings and publishing do not exist on the mainland, he said. As a writer, he has surely come to the free land of China, he stated.

Although he has just been here for three days, he said his happiness and excitement cannot be described. He pledged that he will continue using his pen to tell the free world his bitter experience during the past 30 years, helping all people understand further the reality of socialism.

At noon, Nai-fu was present at a luncheon party given in his honor by his old friends in the literati.

LEGISLATOR PROPOSES REELECTING CHIANG PRESIDENT

OW231225 Taipei CNA in English 1002 GMT 23 Mar 83

[Text] Taipei, March 23 (CNA) -- A member of the Legislative Yuan suggested Tuesday President Chiang Ching-kuo be drafted for a second six-year term. Legislator Tsai Tsan-hsiung noted that President Chiang's leadership has enabled the Republic of China to weather the darkest hour of its history. His leadership will be needed to achieve national reunification under the banner of the three principles of the people, Tsai added.

The legislator also suggested that the government pardon repentant prisoners when President Chiang is sworn in for his second term.

Justice Minister Li Yuan-zu replied that he agrees with legislator Tsai that President Chiang's leadership will continue to be needed, but said the matter of amnesty has to be handled in accordance with constitutional provisions and the amnesty law. President Chiang's term expires in May next year. So far he has not given any indication about his future plans.

AUSTRALIAN BEEF IMPORTS SUSPENDED TEMPORARILY

OW241041 Taipei CNA in English 1001 GMT 24 Mar 83

[Excerpts] Taipei, March 24 (CNA) -- The Chinese Government is temporarily suspending import of Australian beef and mutton to express its dissatisfaction with the ban on import of Taiwan-made canned mushrooms by the Australian Government. Officials of the Board of Foreign Trade [BOFT] reported that the BOFT has temporarily suspended processing applications for imports of Australian beef and mutton several days ago.

Since the Australian Government announced the ban on Taiwan mushrooms recently, BOFT Director Vincent C. Siew has met with representatives of the Australia Commercial and Industrial Office in Taipei for at least three times to lodge a strong protest on the Australian move. Since the Republic of China has no diplomatic relations with Australia, trade and other affairs between the two countries are handled through private organizations. The Australian ban on Taiwan mushrooms stemmed from recent cases of botulism, a form of acute food poisoning. However, the Australian health authorities did not find any link between the botulism and the mushrooms from Taiwan after an initial investigation. "We can't tolerate such unjustified ban to continue," a BOFT official said. He said the recent move by the BOFT to temporarily ban Australian beef and mutton was a result of the ban on the Taiwan mushrooms by the Australian Government.

FURTHER RELAXATION OF PRC INVESTMENT POLICIES SEEN

Making Conditions 'Attractive'

HK220212 Hong Kong WEN WEI PO in Chinese 22 Mar 83 p 1

[Dispatch from correspondent Liu Min-erh: "China To Further Relax Investment Policies"]

[Text] Beijing, 22 Mar -- Wei Yuming, vice minister of foreign economic relations and trade, said at an interview which he gave to Wang Chia-chen, general manager and deputy chief editor of this paper, that in the later years of the Sixth 5-Year Plan, China plans to draw in a few billion U.S. dollars of direct investment in joint venture enterprises, production cooperation, compensation trade and other fields. However, bank loans will not be included in this figure.

He said that in order to attract more foreign businessmen to invest in China, the Ministry of Foreign Economic Relations and Trade will consider the question of how to make investment conditions more attractive. Detailed regulations are being formulated now. Furthermore, from a long-term point of view, the legal system must be further perfected in order to make foreign businessmen feel at ease in investing in China and the existing system and structure must be reformed in order to enable China to smoothly carry out some methods of foreign trade and compensation trade that have been proved to be effective by practice.

Simplified Accounting System

HK240148 Hong Kong HONG KONG STANDARD in English 24 Mar 83 Business Standard p 1

[By Patrick Tang]

[Text] The Beijing government hopes to relax its laws so as to make it easier for foreign investors, said a senior Chinese official.

The director for the administration of accounting affairs of the Ministry of Finance in China, Yang Jiwan, told the Business Standard yesterday that the Chinese Government appreciates the need for foreign investment.

He admitted that the current accounting system is a hindrance to foreign investors as it is too involved and legalistic.

He said the Chinese Government would consider making adjustments to the current accounting system. He expected the new accounting procedures will be in line or similar to those overseas.

Basically, the Chinese accounting system is no difference to the foreign ones, he said. But in some minor details, the Chinese system is more complicated.

In joint ventures with foreign investors, Chinese authorities always prefer using the overseas accounting system although they should make a compromise on it, he said. Mr Yang is also the vice chairman and secretary general of the Accounting Society of China.

He arrived in the colony from Beijing yesterday on a ten-day lecture tour of Hong Kong.

Accompanying him were three Chinese accounting and taxation experts.

Mr Yang said the Chinese Government would like to attract foreign investment and technology not only by simplifying the accounting system, but by tax incentives deductions, and on certain items.

He said China had reduced its tax on the interest earned by foreign companies in China to 10 percent from 20 percent to help attract foreign capital and technology.

He said that if the loans are made through permanent representative of foreign banks in China, the taxable income would be 15 percent of the interest after deduction of costs and expenses.

Mr Yang pointed out that in some cases, interest and royalties income would be tax-exempt.

China had set an income tax law of 20 percent for interest and royalties income.

But the new 10 percent rate would apply to interest on loans, advances and deferred payments provided for under trade or credit contracts signed between 1983 and 1985, he said.

He noted the rate would also apply to royalties earned in China by foreign firms in the fields of agriculture, energy development, communications and transport, and also scientific research.

He also said the royalties from high technology will be allowed favourable terms and be exempt from income tax.

When China pays interest for technology and equipment by selling products or by using processing or assembling fees, foreign companies income also would be tax-exempt, he said.

A China tax expert said the interest from loans to the China National Offshore Oil Corp are exempt from tax under the new regulations which have been sent to foreign businessmen in Beijing about a month ago.

He commented that under the regulations, compensation trade is also generally exempt from the tax.

This is aimed at encouraging foreign firms to become involved in compensation trade, which they are reluctant to do as companies receive payment in goods rather than cash and selling the products afterwards is often difficult, he added.

PRC MINISTERS DISCUSS EXPORTS OF MACHINERY

HK210850 Hong Kong WEN WEI PO in Chinese 21 Mar 83 p 1

[Dispatch From Correspondent Cheng Hsiang: "Zhou Jiannan Receives WEN WEI PO General Manager"]

[Text] Today, when receiving Wang Jiazhen, general manager of WEN WEI PO, Zhou Jiannan, minister of machine building industry, expressed that in the future, China will further develop the import and export of machinery and economic exchange in this aspect. He said: In the future, machinery, electrical appliances and instruments will be the locomotives of foreign trade. They are closely related to the four modernizations. If the imports and exports of these goods are a success, the overall situation will be benefited by them. He encouraged WEN WEI PO and the JIXIE ZHOUBAO [MACHINERY WEEKLY] to make greater efforts to make a greater success of the ZHONGGUO JIXIE [CHINA MACHINERY] in order to promote the export of our machines, electrical appliances and instruments.

When receiving Wang Jiazhen, general manager and deputy chief editor of WEN WEI PO, Zhao Mingsheng, vice minister of machine building industry, revealed that the ministry planned to import more than 700 technological items and it was estimated that more than US \$1 billion would be spent on it.

Zhao Mingsheng said: The more than 700 technological items can be divided into several categories, including basic spare parts, facilities for saving energy, facilities to exploit energy resources, instruments, meters, machines in short supply in the domestic market and key component parts that are indispensable to the development of ; exports.

In addition, Zhao Mingsheng talked about how a foreign merchant can exploit the Chinese market. He said: If a foreign merchant who comes to China for trade wants to achieve a better market for his products, he should be farsighted and carry out long-term technological cooperation with China and not aim at selling things to China on a one-time basis. He said: China is a big country, and from a long-term point of view, it is necessary to consider the issues of independence and taking the initiative in its own hands. In addition, China must consider the issue of a balance of foreign exchange every year. Thus, foreign merchants must not expect China to carry out spot transactions in cash. On the contrary, technological cooperation which is gradually developed will help them attain greater influence in the Chinese market. This is, in reality, mutually beneficial.

WANG ZHEN VISITS GUANGDONG COLLEGES 17, 18 MARCH

HK200333 Hong Kong TA KUNG PAO in Chinese 20 Mar 83 p 1

[Report: "Wang Zhen Urges Training Talented People, Says Laymen May Not Lead Experts"]

[Text] Guangzhou, 19 Mar -- CPC Central Committee Political Bureau member Wang Zhen inspected the Guangdong Provincial Agricultural Science Institute, South China Agricultural College and Zhongshan University on 17 and 18 March. On behalf of NPC Standing Committee Chairman Ye Jianying, he extended cordial regards to the leaders, professors and teachers and students of these institutions. After hearing reports on teaching and research and the training of talented people, he congratulated them on their various achievements.

Wang Zhen urged the provincial Agricultural Science Institute and the South China Agricultural College to make still greater contributions in training high-class agricultural talent. When researchers reported to him on the popularization of the fine rice strain "Shuanggui No 1" in Guangdong and Guangxi and the achievements in research into "the sexual cultivation of azolla," the "cultivation of rice seedlings transplanted by machine" and the breeding of "Guanghua pigs," Wang Zhen frequently interrupted, and stressed that it was essential to emphasize practical economic results in all research and production projects and to make careful economic calculations in all cases. He praised the achievements of the Agricultural Science Institute in consistently gearing its scientific and technical work to economic construction.

Wang Zhen pointed out that Guangdong has many indigenous products such as litchis, cocoa and tangerines. It is necessary to vigorously develop and research new and still better varieties. In developing local indigenous products, it is necessary to rely on science and technology and put into effect remuneration linked to output, specialized contracting, and the fixing of output quotas for each household. He said that a number of foreign countries have now started to introduce litchis; we must certainly not lag behind. He suggested that the Zhongkai agricultural school specifically tackle litchi technology.

Speaking to leaders and professors of the South China Agricultural College, Wang Zhen said that professors must recommend talented people for bringing about the "four transformations" of the cadre force.

We can no longer have laymen leading experts. In the future we must stress scholastic records of the county CPC Committee secretaries and chairmen.

When inspecting Zhongshan University, Wang Zhen pointed out that the central authorities have decided to revive the regular teaching system in the party schools and to strengthen party school work. In the future the leadership posts at all levels must be held by graduates from party schools; this situation should be achieved gradually. Through holding examinations, the party schools should enroll a number of outstanding university graduates each year to spend 1 or 2 years in political studies, so as to enhance their political and ideological qualities. On graduating from the party schools these people should become backbone elements of the party and state and of the party and government leadership at all levels.

Wang Zhen said to the leaders and professors of Zhongshan University: Zhongshan University has glorious revolutionary traditions and has scored great achievements in every field of science, producing large numbers of talented people. I hope you will provide professors and experts for running the party schools, and at the same time train and recommend outstanding graduates to sit the party school entrance examination; after taking advanced courses there they should augment the leadership groups at all levels and make new contributions toward accomplishing the "four transformations" of the cadre force.

TA KUNG PAO: QI BENYU, LIU QINGTANG FACE TRIAL

HK240048 Hong Kong TA KUNG PAO in Chinese 24 Mar 83 p 1

[Special dispatch: "Qi Benyu and Liu Qingtang About To Be Handed Over to the Court for Trial"]

[Text] Beijing, 23 Mar -- According to our information, major criminals of the Lin Biao and Jiang Qing counterrevolutionary cliques Qi Benyu and Liu Qingtang are currently under investigation by the Beijing Municipal Procuratorate. When the investigation is complete, they will be handed over to the court for trial and sentence.

Qi Benyu was a member of the "Cultural Revolution group," who took part in the counterrevolutionary activities of Jiang Qing, Kang Sheng and company and laid false charges against old cadres. Liu Qingtang was a member of a ballet troupe. During the "Cultural Revolution" he took part in the counterrevolutionary activities of Jiang Qing and company and worked his way up to the post of vice minister of culture.

**END OF
FICHE
DATE FILMED**

3-28-83

